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CITY OF  
*Seattle, Washington*

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**2013-2014 Proposed Budget**



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# City of Seattle 2013-2014 Proposed Budget

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**January 1, 2012**

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# City of Seattle

## 2013-2014 Proposed Budget

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## Reader's Guide

This reader's guide describes the structure of the 2013-2014 Proposed Budget Book and outlines its contents. The format of the 2013-2014 Proposed Budget Book is in its second year. It is designed to present budget information in a more accessible and transparent manner – the way the decision makers considers the various proposals. It is designed to help citizens, media, and City officials more easily understand and participate in budget deliberations.

A companion document, the 2013-2018 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 financing 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.

Seattle budgets on a modified biennial basis. See the "Budget Process" section for details.

## The 2013-2014 Proposed Budget

This document is a detailed record of the proposed spending plan for 2013-2014. 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 and Council's priorities;
- **Summary Tables** – a set of tables that inventory and summarize expected revenues and spending for 2013-2014;
- **General Subfund Revenue Overview** – a narrative describing the City's General Subfund revenues, or those revenues available to support general government purposes, and the factors affecting the level of resources available to support City spending;
- **Selected Financial Policies** – a description of the policies that govern the City's approach to revenue estimation, debt management, expenditure projections, maintenance of fund balances, and other financial responsibilities;
- **Budget Process** – a description of the processes by which the 2013-2014 Proposed Budget and 2013-2018 Proposed CIP were developed;
- **Departmental Budgets** – City department-level descriptions of significant policy and program changes from the 2012 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 2013-2014 Proposed Budget; a glossary; and citywide statistics.

## 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;
- Health & Human Services;
- Neighborhoods & Development;
- Public Safety;
- Utilities & Transportation;
- Administration; and
- Funds, Subfunds, and Other.

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

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

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

# Reader's Guide

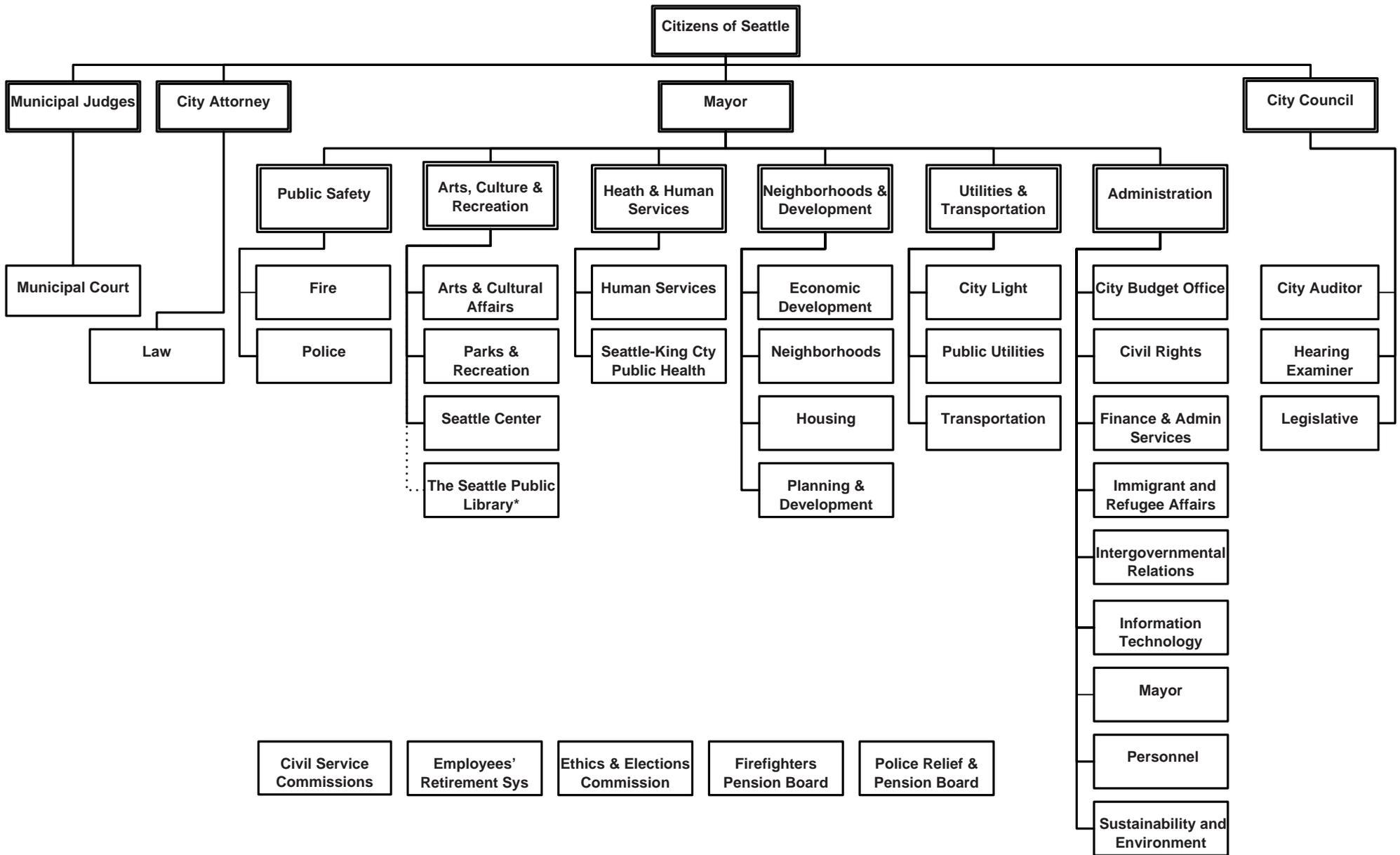
## Budget Presentations

Most department-level budget presentations begin with information on how to contact the department, as well as a snapshot of the department's budget control level budget structure. 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 2013-2014 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 2013-2014 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 2012. The actual historical expenditures are displayed for informational purposes only.

A list of all position changes proposed in the budget has been compiled in a separate document entitled, "Position Modifications in the 2013-2014 Proposed Budget." 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 2013-2014 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 Personnel Director throughout the year, and these changes may not be reflected in the estimate of staff positions presented for 2013-2014.

Where relevant, departmental sections close with additional pieces of information: a statement of actual or projected revenues for the years 2011 through 2013; a statement of fund balance; and a statement of 2013-2014 appropriations to support capital projects appearing in the 2013-2018 CIP. Explicit discussions of the operating and maintenance costs associated with new capital expenditures appear in the 2013-2018 Proposed Capital Improvement Program document.



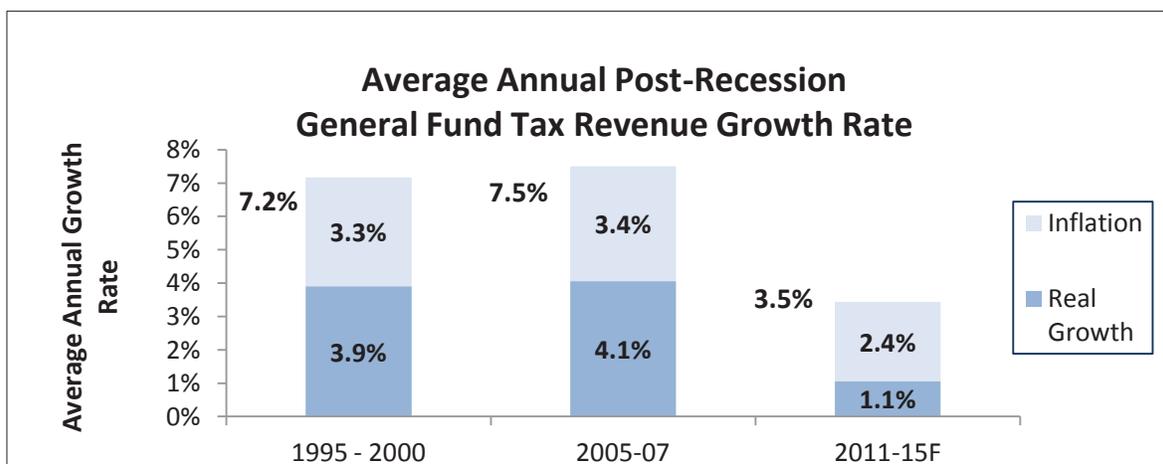
\*The Library is governed by a five-member citizens' board of trustees, appointed by the Mayor and confirmed by the City Council.

## Proposed Budget Executive Summary

The 2013-2014 Proposed Budget totals \$4 billion, including the City's \$951 million General Fund. Four years after the start of the Great Recession and three years following its lackadaisical conclusion, the City of Seattle is starting to see some easing on the General Fund budget constraints. While still not back to pre-recession levels, strength in the local economy relative to national trends, vigilant financial management over the past two years and continued efforts to find new and more efficient ways of doing business are giving the City a bit more flexibility than in recent years to make investments in emerging needs. Nonetheless, in this post-Great Recession climate, the need for financial restraint remains as revenue growth continues to be relatively subdued.

### General Fund Budget Outlook:

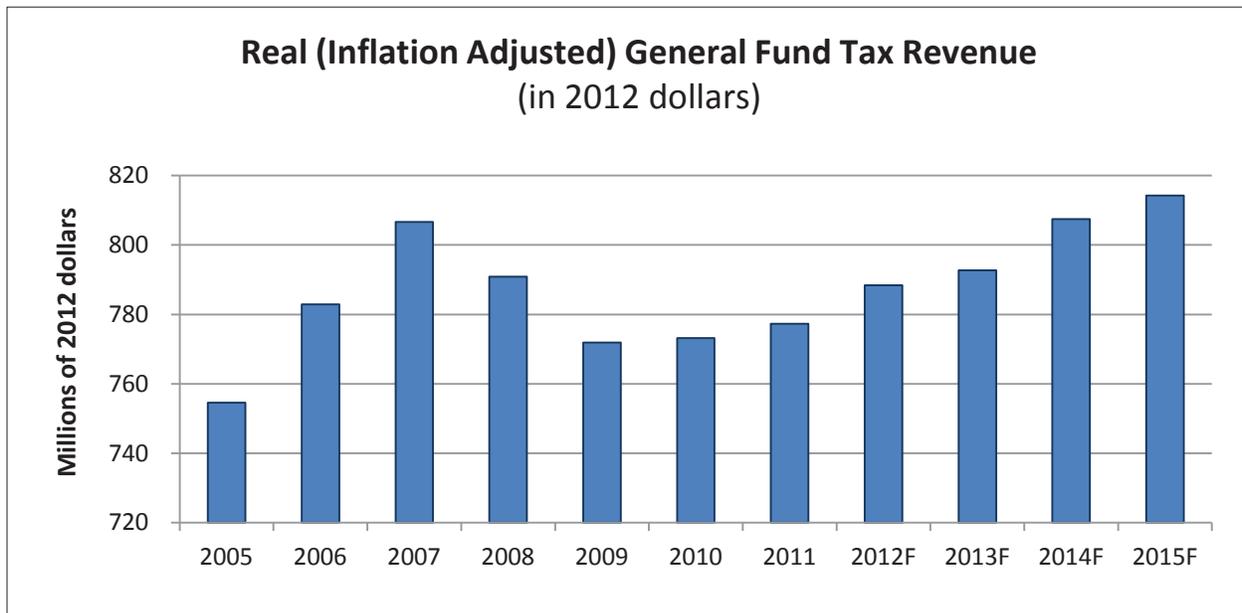
While less acute, the challenge in developing a balanced budget for the 2013-2014 biennium is the same basic one that has marked each budget since the onset of and subsequent recovery from the Great Recession. The Great Recession was longer and deeper than any recession since the Great Depression and the rate of recovery, and thus the rate of revenue growth, particularly for those revenues tied directly to the health of the economy, has remained shallow when compared to previous post-recessionary periods, resulting in an unusually protracted period of budget limitations. In previous post-recessionary periods, the City experienced average annual tax revenue growth that exceeded 7%, allowing the City to maintain existing services plus make additional investments in programs. In the current post-recessionary period, the average annual tax revenue growth is 3.5%. This growth rate has not been sufficient to maintain existing services plus respond to emerging needs, necessitating budget reductions to bring the budget into balance. The chart below illustrates how shallow the current revenue growth is forecast to be compared to previous periods.



## Proposed Executive Summary

The 2013-2014 Proposed Budget reflects a continuation of this trend. General Fund tax revenue growth between 2012 and 2013 is projected at 2.7%, with overall General Fund revenues growing at only 1.6% over the same period. Meanwhile, the Cost of Living Adjustment for 2013 for most City salary increases, based on the local inflation rate as defined by the Consumer Price Index (CPI-W) for the Seattle metropolitan area, is at 3.3%. Other cost drivers, such as medical and retirement benefits, are increasing at even greater rates. Direct salary and benefit costs make up 65% of the General Fund. This imbalance is compounded by the fact that the business of government is not static. Demands for government services change over time and new issues emerge, requiring investment of City dollars.

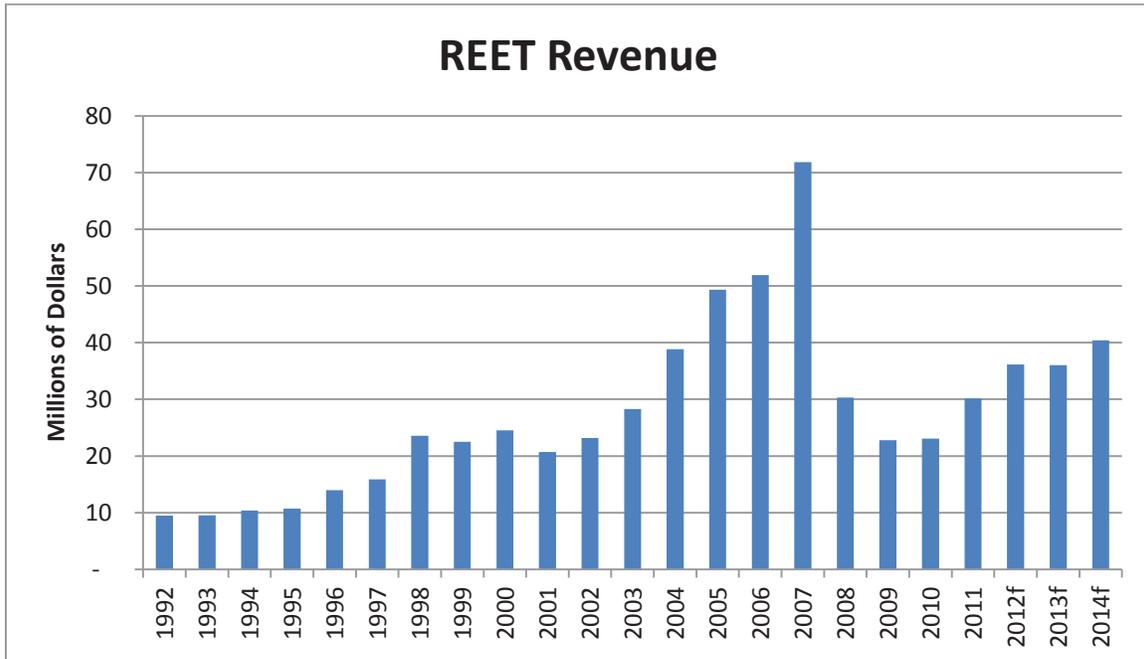
But there are indications that the degree of the City's financial challenges is easing as the distance from the end of the Great Recession grows. Forecasts suggest that the rate of real (inflation adjusted) revenue growth is slowly increasing, with the City's general tax revenues forecast to return to their pre-recession peak (2007) by 2014. In fact, in nominal terms, the pace of general tax revenue growth is projected to pick up in 2014 to 4.4% relative to 2013. While still not at the 7% rate of previous post-recessionary periods, this rate of nominal growth is rising as compared with rate of growth over the past couple of years.



**REET and CDBG Revenues are Relatively Healthy:** Moreover, the City is starting to see relief in other revenue sources that were also constricting as a result of the Great Recession – including Real Estate Excise Tax (REET), a tax on real estate sales that supports the City's general government asset preservation and capital improvement programs, and the Community Development Block Grant (CDBG), a federal funding source that supports community development activities. Both of these revenue sources experienced significant declines since 2007 – REET saw a 68% decline between 2007 and 2009 and the CDBG entitlement is down 26% from \$12.7 million in 2007 to \$9.3 million in 2012.

## Proposed Executive Summary

While projected to still be 50% less than the peak in 2007, REET revenues for 2013 are estimated at \$6 million above 2011 actual revenue collections, with an additional \$4 million bump in 2014.



Meanwhile, CDBG is projected as stable for 2013 and 2104 relative to 2012. However, some existing CDBG funding obligations come to an end in 2013, freeing up resources to be invested elsewhere. Collectively, these developments give the City additional financial flexibility over the biennium as compared to the last four years.

**Passage of the Library Levy Provides General Fund Relief:** Also providing relief to the General Fund in 2013-2014 is approval by Seattle voters in August 2012 of the Library Levy. In addition to expanding Library services, including the number of hours that each branch is open, the Levy also relieves the General Fund of about \$4.2 million of annual Library costs. In addition, the Levy relieves REET of about \$820,000 annually in asset preservation costs. Given the General Fund challenges, the Library may have had to reduce its budget by these amounts were it not for approval of the Levy. By shifting these costs to the Levy, the City has more flexibility in the General Fund to support other basic services. Reflecting the importance of library services to Seattle residents, the General Fund will continue to provide \$48.0 million and \$50.1 million in support for the Library in 2013 and 2014 respectively.

## Proposed Executive Summary

### Retooling and Reprioritizing:

More than ever, it is essential that government entities continually strive to provide services in a cost-effective manner. This premise has been a fundamental underpinning of the City's recent budgets. A few examples of recent successes the City has had in achieving budget savings include:

- Consolidating administrative functions previously performed by the departments of Executive Services and Fleets and Facilities into a single department – the Department of Finance and Administrative Services – saving approximately \$1.6 million annually in labor costs.
- Entering into a long-term contract with King County to house the City's misdemeanor jail population at a lower cost and allowing the City to avoid building a jail facility, saving \$4.3 million in on-going costs and avoiding \$200 million in capital costs.
- Partnering with City employees in 2011 to reduce labor costs through COLA rates in 2011 and 2012, saving approximately \$6.5 million annually Citywide in 2012, \$2.6 million of which accrues to the General Fund, which compounds to approximately \$13 million in savings Citywide, including \$5.2 million of savings to the General Fund for 2013-2014 biennium. Cumulatively, this partnership with labor will have saved \$25.2 million Citywide over four years.

Reductions proposed for 2013-2014 are designed to have minimal impact on direct services enjoyed by Seattle residents.

While more modest in scope, the 2013-2014 Proposed Budget makes additional reductions to capitalize on further efficiencies. It also identifies a limited number of new revenue opportunities to sustain existing services. Both of these steps are important to balancing the General Fund budget, and also in freeing up resources to reprioritize and make investments in other critical services.

The savings proposed for 2013-2014 are designed to have minimal impact on the direct services the City provides to Seattle residents. The 2013-2014 Proposed Budget continues to provide most of the same basic services to Seattle residents at their 2012 levels. Examples of General Fund savings identified in the 2013-2014 Proposed Budget include:

**Identifying Efficiencies in How the City Maintains its Assets:** The 2013-2014 Proposed Budget also achieves savings by managing City facilities and assets more efficiently. A few examples include savings that the Department of Finance and Administrative Services (FAS) will achieve in

## Proposed Executive Summary

utility costs by adjusting the set points for the temperature of City-operated buildings and by reducing the amount of landscaping support for the City Hall and Justice Center complexes.

FAS will also achieve savings by closing its internal vehicle maintenance parts warehouse. By using an outside vendor as the source for these parts, FAS expects to save more than \$300,000 annually starting in 2014. In addition, by liquidating the stock of parts currently in the warehouse, FAS expects to receive \$900,000 in one-time revenue in 2013. The City expects it will be more cost effective to obtain replacement parts for the City's fleet from outside vendors who have a larger and more nimble supply chain and access to a wider range of parts suppliers.

FAS will achieve \$300,000 in annual savings and \$900,000 in onetime revenue by closing its vehicle parts warehouse and relying on an outside vendor.

The Parks Department is achieving savings through efficiencies as well. In recent years, Parks has moved increasingly toward a different type of turf maintenance to provide a more environmentally appropriate level of care based on current horticultural and water conservation best practices. Rather than using vast amounts of water to keep park lawns green all summer, the Department has reduced irrigation in less frequently used parks so that some park lawns go dormant during the summer months, and then become green when the rains return in September. Important exceptions to this practice are athletic field turf, where Parks maintains vigorous growth year-round to ensure safe playing surfaces, and certain horticultural displays. Parks piloted this approach in 2012 and expects to continue with this practice in 2013 and beyond. The change is expected to save \$250,000 annually.

**Management Efficiencies:** Preserving public safety – including the deployment of firefighting resources – remains a paramount priority for City government. With this in mind, in 2012, the City embarked on a three-phase operational assessment of the Seattle Fire Department (SFD) to identify opportunities for operational efficiencies while still continuing to provide high-quality emergency response and prevention services. The primary recommendation of the study thus far is that SFD would benefit from a management re-organization. The study determined the current SFD organizational structure had some management gaps and in other areas had overlapping management positions. To address these concerns, the study lays out options for realigning SFD's management structure. The 2013-2014 Proposed Budget begins to implement these recommendations by eliminating one Assistant Chief position (out of four) and the Battalion Chief assigned to oversee the implementation of the Fire Facilities Levy. The responsibilities previously handled by these positions will be reassigned to remaining positions in the organization, minimizing the

## Proposed Executive Summary

operational impacts. These changes generate approximately \$370,000 annually in savings to the General Fund.

**Aligning Staff Resources with Workload Needs:** The work of City government is constantly changing. Over time, workload needs evolve, and in some cases diminish. To achieve additional savings, City departments evaluated their staffing levels and identified opportunities for savings where the workload is no longer sufficient to support staffing levels. For example, the Parks Department identified \$500,000 in savings by aligning positions with its workload needs. As the 2008 Parks Levy winds down and other funding sources for capital projects remain restrained, Parks eliminates 2.5 positions in its Planning and Development division. Parks also eliminates positions and reallocates workload in its Human Resources, Accounting, and Facilities Maintenance divisions.

The 2013-2014 budget aligns staff resources with workload needs.

Similarly, the Seattle Department of Transportation (SDOT) eliminates positions in response to changing workloads, generating \$375,000 in General Fund savings. Positions eliminated include two accounting technicians and a vacant finance analyst position. Due to process improvements and report automation, the elimination of these positions will not impact service levels. As a result of decreased volumes of reimbursable work and related efficiencies, SDOT eliminates three cement finisher positions and four positions in its Maintenance Operations division.

While the 2013-2014 Proposed Budget eliminates 65 full-time equivalent (FTE) positions, 119 FTEs are added to address newly re-prioritized investments described later in this document. An additional net increase of 7 FTEs results from changes impacting part-time positions. In addition, for 2013-2014, an additional 25 FTE slots are added to the Personnel Department for use by other City departments to perform work that would otherwise be distributed to outside contracts.<sup>1</sup>

**Lower Salary and Benefit Costs:** City employees are critical in providing essential services to Seattle residents. As such, personnel costs represent a significant portion of the General Fund budget. Approximately 65% of the General Fund is for direct salary and benefit costs. Opportunities for savings in these areas allow the City to preserve jobs and services. The 2013-2014 Proposed Budget captures savings in salary and benefit costs as a result of a couple of important developments. Approval of a new labor

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<sup>1</sup> These FTEs are proposed to sunset after two years to allow the City to evaluate whether the workload warrants the long-term need for these positions.

## Proposed Executive Summary

The 2013-2014 budget captures savings from salary and benefit costs in order to preserve funding for direct services.

contract by the Seattle Fire Fighters Union, Local 27, provides important salary savings to the General Fund and allows the City to maintain the size of the fire-fighting force, as well as other services. In addition, the proposed budget captures savings in the Fire Fighter Pension Fund (FPEN) and the Police Relief and Pension Fund (PPEN) as a result of increased revenues, such as Medicaid reimbursements to the funds, and lower administrative costs.

The 2013-2104 Proposed Budget continues to identify ways to contain increases in health care plan costs by implementing administrative efficiencies that have been identified by the Health Care Interdepartmental Team (HC IDT) and approved by the City's Health Care Committee (HC2). The HC IDT was formed by the City Budget Office in 2011 to foster joint Council-Executive collaboration to evaluate the City's health plan spending, and to develop a set of strategic health care policies. In 2013, the City will begin to self-insure the Group Health Standard and Deductible medical plans, similar to the approach currently taken with the medical plans administered by Aetna, resulting in annual ongoing administrative savings of approximately \$1 million.

In addition, the City's costs related to providing unemployment benefits are anticipated to decline in 2013 due to the overall improvement in economic conditions. Accumulated fund balance within the Unemployment Subfund makes it possible to partially subsidize the anticipated costs to be incurred by departments in 2013 and 2014. While anticipated claims expenses related to workers compensation are expected to increase by 5% in 2013 over 2012, accumulated fund balance within the Workers Compensation Subfund is also being used in 2013 and 2014 to partially reduce the costs incurred by City departments. By identifying administrative efficiencies related to health care plans, as well as applying fund balance to reduce unemployment and workers compensation costs incurred by departments, the City is able to reprioritize these funds toward direct services in 2013 and 2014.

**New Funding Sources to Sustain City Treasures:** The General Fund has been the traditional source of funding for two important City treasures – the Volunteer Park Conservatory and the Langston Hughes Performing Arts Center. To ensure that these facilities continue operations, the 2013-2014 Proposed Budget identifies new funding approaches. Following a business planning effort in early 2012, the Parks Department has identified a number of changes to the Volunteer Park Conservatory operating model that will put this facility on a more financially sustainable path. The 2013-2014 Proposed Budget assumes the results of these efforts, including

## Proposed Executive Summary

Funding sources are identified to sustain operations of the Volunteer Park Conservatory and the Langston Hughes Performing Arts Center.

revenue from a new admissions fee to enter the facility, modestly lower staffing levels to better align operations with other comparable conservatories, and some modest capital investments that will allow the facility to generate revenue by serving as a venue for small events, such as weddings. Together, these changes are expected to provide \$174,000 of relief to the General Fund, and, more importantly, allow the City to keep this facility open.

Following conversations between the City, the Arts Commission and Langston Hughes Performing Arts Center (LHPAC) staff, the 2013-2014 Proposed Budget transfers operations of LHPAC from the Parks Department to the Office of Arts and Cultural Affairs (OACA), allowing the City to shift a portion of the facility's operating costs from the General Fund to the Admissions Tax, providing almost \$400,000 relief to the General Fund. The General Fund will continue to provide \$270,000 in funding to LHPAC. This change is achieved without any reduction to ongoing programs supported by the Admissions Tax. In addition, with this transfer, the full 75% of Admissions Tax revenues will stay with OACA.

The transfer of LHPAC achieves a number of important operational objectives that will benefit the LHPAC. First, the programming provided by LHPAC directly aligns with the mission of OACA and fits the purpose of the Admissions Tax – to fund "arts-related programs and one-time capital expenditures that keep artists living, working, and creatively challenged in Seattle." Second, transferring the facility will allow OACA to more closely manage LHPAC and incorporate the LHPAC budget into the arts funding structure. At its core, LHPAC is a performing arts facility and there is no department in the City better positioned to oversee performing arts operations than OACA. This transfer more closely aligns the center with the broader arts community. And, finally, this is an important first step in developing a plan to put LHPAC on a more financially sustainable course. OACA will also be working directly with LHPAC over the next two years to develop a long-term, self-sustaining financial strategy for the center. While LHPAC operations will transfer to OACA in 2013 to capitalize on OACA's strength in art programming and management, DPR will retain ownership of the facility and will continue to provide for its maintenance, a function it performs for many other Parks-owned facilities throughout the City.

**Select Fee-Based Revenue Increases:** The 2013-2014 Proposed Budget also achieves General Fund relief through adjustments to fee-based revenues, including:

SDOT preserves \$8 million of services over the biennium as a result of lower debt service costs and by leveraging fund balances.

## Proposed Executive Summary

- *Swimming Pool Fees:* The Parks Department will generate \$300,000 in revenue through modest increases in swimming pool fees, bringing those fees to levels that are comparable with other regional swimming pool facilities.
- *Parking Fees at City-Owned Garages:* The Department of Finance and Administrative Services (FAS) will increase the parking rates at the SeaPark and Seattle Municipal Tower parking garages to bring the rates more in line with market rates. This change will generate \$235,000 annually in revenue.
- *Seattle Animal Shelter Fees:* FAS makes a number of changes to how fees are collected by the Seattle Animal Shelter, which will collectively result in a \$220,000 annual increase in revenues. As part of this plan, the Seattle Animal Shelter (SAS) will implement a Pet License Partnership program, which will further enhance and coordinate pet license sales efforts in Seattle by encouraging people to license their pets. There are an estimated 250,000 unlicensed pets in Seattle. To reduce the feral cat population, in Seattle, SAS proposes to exempt the pet licensing requirement for feral cats that are brought into the shelter for sterilization. This change is expected to bring in an extra \$15,000 annually in fees charged for spaying and neutering cats.
- *Fire Marshal Fees:* The Fire Marshal's Office, which charges for fire prevention services to direct service users, is adjusting its fees in 2013 and beyond in an attempt to move toward a full-cost recovery model over time for these service-based fees.

**Strategically Using Fund Balances to Preserve Services:** Conservative financial management has allowed several City funds that also receive General Fund support to accumulate fund balances. These fund balances are being strategically used in the 2013-2014 Proposed Budget to sustain service levels that might otherwise be in jeopardy due to the General Fund's budget challenges. For example, both the Parks Department and the Human Services Department are relying on less General Fund in 2013-2014 as they spend down modest levels of fund balance.

Meanwhile, SDOT identified a number of alternate funding sources to preserve service levels that would have otherwise been reduced as a result of General Fund budget reductions. These sources include funds made available as a result of lower debt service costs, remaining fund balances from the now-defunct Employee Head Tax, unprogrammed 2011 fund balance from Vehicle License Fee revenues, and funds from the 2011 sale of the Rubble Yard property to the State of Washington. Collectively,

## Proposed Executive Summary

these sources allow SDOT to preserve \$8 million of services over the course of the biennium.

### Strategic Investments to Respond to Emerging Needs:

Through a combination of modest improvements in the City's General Fund revenue outlook and the savings and efficiencies described previously, the City has more flexibility for 2013-2014 to make modest investments to address emerging needs. These investments can be described in five broad categories:

- Supporting a Well-Functioning Government
- Enhancing Public Safety
- Upholding the Human Services Safety Net
- Promoting Economic Development
- Upgrading the City's Transportation Infrastructure

These five areas are identified as strategic priorities for the City because of their importance to supporting a healthy and vibrant City.

**Investments to Support a Well-Functioning Government:** The 2013-2014 Proposed Budget makes a number of investments to ensure the City continues to function well, including investments to promote the City's long-term financial sustainability and investments in the City's information technology backbone.

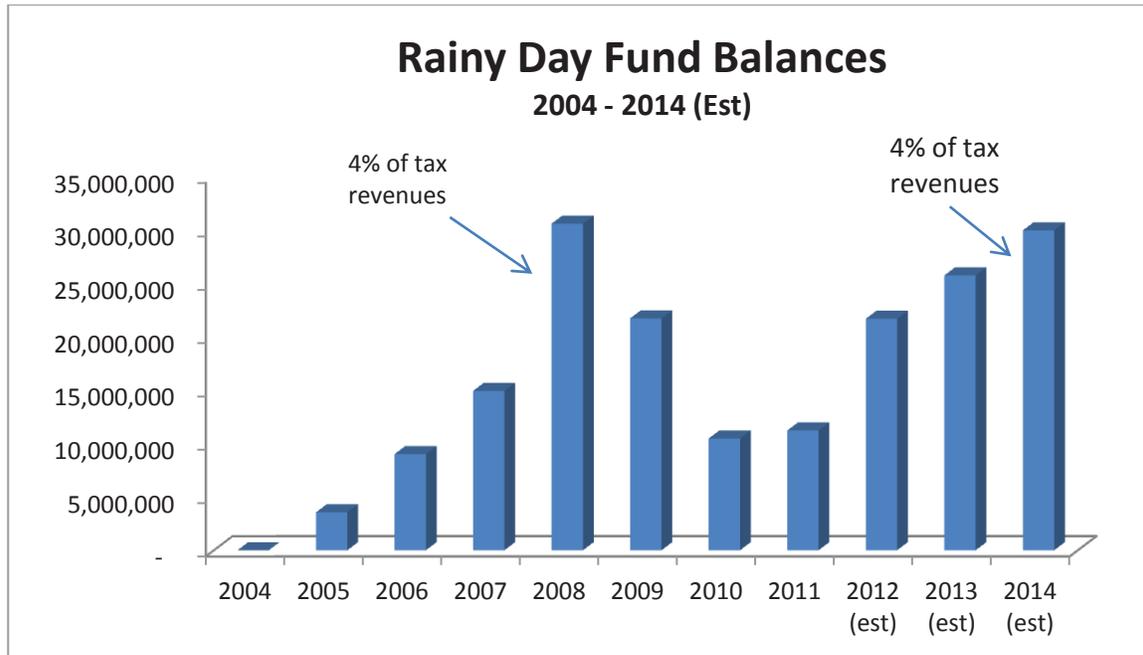
- *Saving for the Future – Restoring the Health of the Rainy Day Fund:* The City maintains a Rainy Day Fund – a savings account of sorts – to protect City services following unexpected declines in revenue. A healthy Rainy Day Fund not only protects the City in times of unexpected revenue contraction, but is also an important variable in maintaining the City's high bond rating, which helps keep the City's borrowing costs low.

The Rainy Day Fund reached its peak funding level in 2008, when it was valued at \$30.2 million, or 4% of General Fund tax revenues. At the onset of the Great Recession, the City relied heavily on the Rainy Day Fund, drawing it down to \$10.5 million by the time the 2010 budget was adopted. Since that time the City has made a concerted effort to restore the health of the fund, marked most

By 2014, the Rainy Day Fund will be replenished to \$30 million – the peak funding level, achieved in 2008.

## Proposed Executive Summary

notably by adopting a sweeping overhaul of the policies that govern how the Rainy Day Fund is replenished in 2011.<sup>2</sup> As a result of these new policies, the City has increased its contributions to the Rainy Day Fund. The 2013-2014 Proposed Budget adds \$8.3 million to the Rainy Day Fund over the course of the biennium, bringing the 2014 balance to \$30 million, approximately the same amount that was in the fund in 2008 at its peak.



- *Continuing to Stabilize the City's Pension Fund:* When Mayor McGinn took office, he inherited a troubled pension fund – the Seattle City Employee Retirement System (SCERS). The financial market crash of 2008 left the fund with a relatively large unfunded liability and insufficient plans to address these challenges. The City of Seattle is one of the only cities in the State of Washington that runs its own pension system – most others participate in the Washington State systems.

Prior to 2008, the City consistently funded SCERS at or above the actuarially recommended level of 80%. However, the erosion of the financial markets left the pension with an unfunded liability of \$1 billion and a funding ratio of only 62% at the beginning of 2010. The City had plans to partially address the funding shortfall by increasing the contribution rates of both the participating employees and the City contribution. Over two years (2011 and 2012) the contribution rates for each would increase from 8.03% to 10.03%. But this still left an unfunded liability of \$695 million and a funding ratio of only 74%. To fully address the funding needs of the system over time, the City took an even more proactive approach to SCERS funding and established a policy in 2011 to set its

<sup>2</sup> For more information about the Rainy Day Fund policies, please refer to Ordinance 123743 and the following presentation: <http://www.seattle.gov/financedepartment/documents/RainyDayFundPresentation-FINAL.pdf>

## Proposed Executive Summary

The 2013-2014 budget adds funding to plan and design the City's next generation data center.

future contribution rates at the full actuarially recommended levels, even if above the 10.03% rate that employees contribute per agreements with the City's labor unions. For 2012, that led to a City employer contribution rate of 11.01% and in 2013 the rate will be 12.89%, while employees remain at 10.03%. Further increases in the employer contribution rate in 2014 are expected to a projected 14.28%. The City's out-year financial plans assume that the City continues to fully fund anticipated annual required contributions as will be actuarially determined.

- *Investing in the Next Generation Data Center:* The City maintains multiple data centers, including the main data center, which was relocated to the Seattle Municipal Tower (SMT) in 2000. In its current location, the main data center is nearing the end of its useful life and is in need of upgrade. In fact, during the summer of 2012, the SMT data center had to be partially shut down when some critical electrical system maintenance had to be performed in the building. In 2013, the City will invest \$3 million to begin planning and designing alternatives for a new data center that will provide more capacity, redundancy and resiliency to keep the City's critical information technology infrastructure running day-to-day and in the event of emergencies.

An engineering consultant report completed in 2012 developed preliminary options and costs for an upgraded system of data centers. The preliminary recommendation is to develop an integrated system with a new, more redundant and reliable main data center, upgrade two other existing City data centers to enhance redundancy and reliability, and to repurpose or decommission the remaining data centers. Preliminary estimates suggest the costs range from \$29 million to \$49 million, depending on which choices are made to meet the City's needs. The project is expected to take three years to complete. In planning for the City's future data center needs, the Department of Information Technology and the Department of Finance and Administrative Services, working in conjunction with other City departments, will take a holistic look at the City's comprehensive data center needs and assess the potential of serving those needs in facilities already maintained by the City. This options analysis will determine which systems should be housed in City facilities, which systems could be best accommodated in leased data center space, which applications may be candidates for cloud computing, and where the City needs

## Proposed Executive Summary

SPD will hire 10 additional police officers in 2013 and will install a gunshot locator system.

redundancies to ensure reliable access to the City's business systems.

- *Other Information Technology Investments:* A number of other City systems are in need of upgrade, primarily because the current systems are no longer – or will soon no longer be – supported by the software makers. The 2013-2104 Proposed Budget includes funding to allow the City to upgrade to Windows 7 and Office 365. Investments to expand the City's wireless network are also proposed, along with a planning effort to replace the City's email and online records management system. The City will also make investments to continue efforts to upgrade its accounting and budgeting systems.

**Enhancing Public Safety:** The 2013-2014 Proposed Budget makes significant investments to enhance public safety in the City of Seattle. In fact, the budget adds as much as \$24 million over the biennium to support various efforts and initiatives by the Seattle Police Department (SPD) to reform its operations and expand its efforts to improve public safety.

- *Hiring Additional Police Officers:* The 2013-2014 Proposed Budget includes funding to allow SPD to hire 10 additional police officers, increasing the number of police officers from 1,300 to 1,310. These additional positions will allow SPD to continue meeting or exceeding the outcome objectives defined in the Neighborhood Policing Plan (NPP), as well as relieve the pressure on overtime use resulting from the increased emphasis patrols that have been activated in 2012 in response to crime “hot spots” around the city.
- *Investing in Technology to Enhance Public Safety:* The 2013-2014 Proposed Budget makes several technology investments to improve SPD's public safety capabilities. Two important investments include an automated gunfire locator system (AGLS) and replacement of SPD's in-car video (ICV) system. To support the City's AGLS system, the City will install up to 52 gunshot locator units, each having a minimum 600-foot radius range and each having the ability to stream video. Overlapping coverage and expanded two-mile radius coverage areas will enable SPD to create an automated gunshot locating network. Because the units are mobile, they can be moved to provide increased safety coverage for events such as the Torchlight Parade, the Bite of Seattle, and when Seattle hosts visiting dignitaries. The units will allow SPD to deploy more rapidly to “shots fired” locations because they are able to communicate

## Proposed Executive Summary

Funding is allocated to allow SPD to continue to reform its operations in the spirit of the Settlement Agreement between the City and the Department of Justice.

wirelessly or via city fiber optic cabling to the central dispatch center and have the option to send alert data and video to authorized laptops in police vehicles. The units can determine if a gunshot has occurred within 4/10<sup>th</sup>s of a second, pinpoint the location to within a 50-foot radius and determine the caliber of weapon that was fired with a minimum 90% accuracy rate.

The 2013-2014 Proposed Budget also makes enhancements to SPD's in-car video program. First, the budget includes funds to replace SPDs mobile data terminals, which are nearing the end of their useful life. In addition, the budget adds to SPD's crime analysis capabilities by adding staff to analyze data to more strategically deploy SPD resources, as well as provide better access to the public police videos.

- *Implementing the Department of Justice Consent Decree:* For much of 2012, SPD has been engaged in efforts to reform and improve the way it delivers police services, including the implementation of *SPD 20/20: A Vision for the Future Plan (20/20)*.<sup>3</sup> The 2013-2014 Proposed Budget expands on efforts already under way and provides additional funding to implement actions called for under the Settlement Agreement reached between the Department of Justice (DOJ) and the City of Seattle. The Settlement Agreement, and the accompanying Memorandum of Understanding,<sup>4</sup> lays out a framework for certain reforms. While work has already begun to implement these agreements, the full scope of the costs will not be known until the monitor and Community Police Commission (CPC), both requirements of the Settlement Agreement, are in place. Both are expected to be named later in 2012. As such, the 2013-2014 Proposed Budget holds in reserve sufficient funding to allow the City to fully implement the terms of the agreement with the DOJ. As the specific cost elements are defined and agreed to by the monitor and the CPC, the funds will be appropriated.

In the meantime, SPD continues to implement the reform effort begun under 20/20. These efforts include a number of measures,

<sup>3</sup> Information about 20/20 can be found: <http://seattle.gov/spd2020/initiatives.htm>

<sup>4</sup> For access to the Settlement Agreement:  
<http://www.seattle.gov/mayor/media/pdf/120727settlementagreement.pdf>  
For access to the Memorandum of Understanding :  
[http://www.seattle.gov/mayor/media/pdf/120727FINAL\\_MOU.pdf](http://www.seattle.gov/mayor/media/pdf/120727FINAL_MOU.pdf)

## Proposed Executive Summary

Seven community centers will be open 10 additional hours per week to provide afternoon and late-night activities for at-risk youth.

such as the establishment and use of the Force Review Board (FRB) and Force Investigation Teams (FITs), enhancements to the Early Intervention System (EIS) and Crisis Intervention Training (CIT) training, which are now required by the Settlement Agreement as well. SPD has also made significant progress in: 1) clarifying internal policy and procedures related to ethics, policing practices, and officer accountability; 2) training supervisors to comply with the Race & Social Justice Initiative; and 3) increasing community outreach and involvement through the use of Living Room Conversations and Donut Dialogues, an expanded SPD Citizens Academy, and summer youth programs.

- *Public Safety Extends Beyond Traditional Police Services:* The 2013-2014 Proposed Budget recognizes that improving public safety extends beyond police services. Some of the most important investments the City can make are in those programs that address the root causes of crime. Funding is included in the Proposed Budget to expand two such programs – increasing after-school and late-night community center hours to increase access for at-risk youth and expanding the City’s successful Seattle Youth Violence Prevention Initiative (SYVPI) to serve more youth.

As a result of a data-driven decision-making framework involving interdepartmental collaboration between SPD, the Parks Department, SYVPI, and the City Budget Office, the 2013-2014 Proposed Budget adds 10 additional operating hours at seven community centers that serve at-risk youth. The seven community centers targeted for the expanded hours are community centers operating at reduced hours under the City’s new community center operating model implemented in 2012. The goal of this new investment is to improve public safety by providing at-risk youth with additional safe outlets outside of school hours. Late night community center hours, in particular, are proven investments that help reduce incidents of crime and violence. Five of the community centers slated for expanded hours (Delridge, Miller, South Park, Van Asselt, and Yesler) are connected to existing SYVPI activities. The Ballard and Northgate Community Centers’ hours will expand to allow access to more late night recreational programs to teens in the north and northwest sectors of the City.

In addition, the 2013-2014 Proposed Budget adds \$1.68 million in funding to serve 450 more at-risk youth through the SYVPI, bringing

## Proposed Executive Summary

Inflation increases are provided to human service providers for the first time since 2009.

the total number of youth served to 1,500. The SYVPI mission is to prevent and reduce youth violence, which disproportionately affects communities of color in Seattle, through coordinated, accountable mobilization to identify youth at risk of perpetuating or being a victim of violence and connect them with needed support in reaching their full potential. During its first three years, demand for SYVPI services exceeded available capacity. The new investment for 2013 and 2014 will provide adequate staffing for the existing SYVPI population of 1,050 youth within the three Neighborhood Networks to more effectively implement the current program and a new risk assessment screening process to better target interventions to youth most at risk. Enrolled youth are provided with activities, mentoring, case management, employment services, and other targeted support that addresses the needs of the youth population, which varies among the three sites in Southeast, Southwest and Central Seattle. The expansion of the Initiative's capacity, along with the new risk assessment screening process, will allow the City to have greater impact on reducing youth violence through the identification and enrollment of 1,500 high risk and gang-involved youth.

**Upholding the Human Services Safety Net:** The 2013-2014 Proposed Budget also makes investments to sustain and expand the human services safety net. These investments are particularly important now, as the populations who rely on these services face a dual challenge. Other government entities have scaled back their support of the human services safety net as they deal with their own budget challenges. Meanwhile, the slow recovery from the Great Recession has resulted in an increased the demand for services as more people struggle to make ends meet.

- *Contract Inflation Increases Provided for the First Time Since 2009:* Perhaps the most noteworthy aspect of the 2013-2014 Proposed Budget's commitment to supporting human services is the fact that for the first time since 2009, the budget includes funding for inflationary increases on the contracts Seattle maintains with community service providers who deliver services to those in need on behalf of the City. Inflationary increases on contract amounts are something the City of Seattle has traditionally provided. But, these increases were curtailed over the past four years. Resuming this practice for 2013 and 2014 will give community service providers more flexibility to respond to increases in their own internal costs and maintain service levels.

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Funding is increased to provide childcare subsidies to 75 more children whose families are moderate- to low-income, reducing the waiting list by nearly one-quarter.

- *Expanding Support for Homeless Families:* Providing support to the increasing number of homeless families remains a challenge. The 2013-2014 Proposed Budget expands funding to assist homeless families with children through a national best practices service model that incorporates expanded outreach and engagement, coordinated entry and assessment, family reconciliation, diversion and progressive engagement models to rapidly move families from homelessness to housing. The collection of services provided in the 2013-2014 Proposed Budget increases the City's funding commitment to these services by \$620,000, for a total investment of \$980,000.
- *Expanding Support for Childcare for Moderate- to Low-Income Families:* The 2013-2014 Proposed Budget also increases the City's support for childcare for moderate- to low-income families. Currently, there is a waiting list of 325 children whose families are seeking subsidy support for childcare costs. An investment of \$500,000 in the Proposed Budget will allow the Human Services Department to provide subsidies to 75 more children, reducing the waiting list by 23%. This is important because access to affordable childcare can be a barrier to people entering the workforce.
- *Investing in the Career Bridge Program:* The U.S. Department of Labor shows that an important determinate of socio-economic advancement is educational attainment beyond high school. To help low-income workers find better paying jobs, the 2013-2014 Proposed Budget includes a new program called *Career Bridge*. This program is a joint collaboration between the Office of Economic Development and the Human Services Department working in partnership with the Seattle Jobs Initiative (SJI). This program will focus on helping individuals who face barriers to employment - including prior incarceration or limited English skills - require additional skill building and connection to resources in order to move toward a professional degree, credential, or longer term employment opportunity. An important innovation of the *Career Bridge* program will be the integration of human and employment services tailored to meet the unique needs of the individuals served by the program. In 2013, the City will identify a Community Based Development Organization (CBDO) who will be the frontline point of contact with individual participants. The CBDO, with support from the City's Human Service Department, will connect participants to appropriate housing options, childcare and transportation services so that participants can focus on career

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building activities. The program is being funded by redirecting a portion of funds from the City's existing contract with SJI to this purpose in 2013, and by programming additional Community Development Block Grant (CDBG) funds to HSD in 2013 and 2014.

**Promoting Economic Development:** As Seattle slowly recovers from the Great Recession, it is critical that the City of Seattle helps keep this momentum moving by doing what it can to promote economic development and shared prosperity among all Seattle residents. The 2013-2014 Proposed Budget makes a number of strategic investments to ensure that the city's business districts flourish and residents prosper.

The 2013-2014 budget promotes economic development by increasing funding for the *Only in Seattle* and *growSeattle* programs.

- *Support for Neighborhood Business Districts:* The City's commitment to strengthen the business climate in neighborhood business districts will be enhanced in 2013-2014 through an expansion of the *Only in Seattle* program. Under the expansion, \$500,000 in grant funding will be available for projects that improve the "appearance and pedestrian environment" in business districts with parking meters.
- *Investing CDBG Funds to Promote Community Development:* The 2013-2014 Proposed Budget uses Community Development Block Grant (CDBG) funding to invest in two important community development activities. First, CDBG funds will be used to expand in 2014 the *growSeattle* program, which provides entrepreneurial training and business development support to immigrant business owners facing barriers to accessing mainstream business support programs. To date, the program has provided support to East African- and Vietnamese-owned businesses. New services offered in 2014 will include loan capital to community-based lenders to underwrite otherwise unbankable transactions to small businesses. As Seattle's economy continues to recover, it is essential that immigrant entrepreneurs be given additional support to help them navigate unfamiliar bureaucracies and financial systems so that they can thrive.

Second, new CDBG funding will assist businesses in the South Park business district in 2013 through the *Only in Seattle* program. The South Park business district has been hit hard by both the Great Recession and the temporary closure of the South Park Bridge. Through this investment, these businesses will have access to technical assistance while the South Park Bridge remains closed.

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The 2013-2014 budget invests more than \$21 million over the biennium to maintain and upgrade the City's transportation infrastructure.

- *Investing in the Downtown Core:* The Mayor's Center City Initiative will receive increased financial support in 2013-2014 to implement a new approach to address street disorder and support the health and vitality of downtown neighborhoods. The new Outreach and Engagement Team will offer access to services and interventions for individuals who may exhibit signs of mental illness or substance abuse issues, aggressive or intimidating behavior, and apparent homelessness in the Belltown, Commercial Core, Pioneer Square, and Chinatown/International District neighborhoods. This team will include collaborative participation and support from the Seattle Police Department (SPD), the Human Services Department (HSD), King County Metro Transit Police, the Washington State Department of Corrections (DOC), and the private sector, to provide specific interventions, such as a mental health professional funded by the Union Gospel Mission and the Metropolitan Improvement District, to address the underlying issues impacting those individuals identified by the Outreach and Engagement Teams. SPD will receive \$150,000 annually to provide officers for the Outreach and Engagement Team. HSD will receive \$133,000 in funding to contract with and deploy formerly homeless individuals as peer-to-peer liaisons working under the supervision of an outreach case manager, a position that will also be contracted through HSD. In collaboration with the CCI Outreach and Engagement Team, the liaisons will help identify and engage homeless people living in downtown streets or in places not suitable for human habitation on a personal level and connect them with specialized and targeted services.

**Upgrading the City's Transportation Infrastructure:** As Seattle's transportation infrastructure ages, it is important that the City makes investments to maintain the City's assets, as well as upgrade the system to support multi-modal transportation to ensure people and goods can move efficiently through the city. The budget invests more than \$21 million over the biennium, using multiple revenue sources, including General Fund, REET, Commercial Parking Tax, and one-time Bridging the Gap fund balance, to support critical transportation infrastructure needs.

- Transit Master Plan Implementation
- Pedestrian and Bike Master Plan Investments
- Third Avenue Corridor Upgrades
- Freight Mobility Enhancements
- Asset Preservation and Maintenance

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The 2013-2014 budget includes funding for three *Safe Routes to Schools* projects.

- *Transit Master Plan Implementation:* The 2013-2014 Proposed Budget makes significant investments to begin implementation of the recently completed Transit Master Plan, with an emphasis on developing high-capacity transit options. The budget includes a \$2 million investment to develop a conceptual design of high-capacity transit options in the Eastlake corridor, and \$850,000 over the biennium to develop conceptual design options for the Madison corridor. Using \$500,000 of REET, SDOT will also develop conceptual designs for integrated pedestrian, bicycle and transit crossings of the Lake Union ship canal. To manage these projects and address existing staffing deficiencies, the budget also includes funding for 3 additional FTEs. Finally, in 2014, \$2.5 million is designated in a reserve outside of SDOT's budget for further implementation of the Transit Master Plan.
- *Pedestrian and Bike Master Plan Investments:* Enhancements to pedestrian and bicycle mobility are a key component of the 2013-2014 Proposed Budget. The biennial budget includes: \$800,000 for three Safe Routes to School projects, which improve safety along school walking and biking routes; \$600,000 for sidewalk safety repair, emphasizing projects located in Urban Villages and supporting low-income communities; \$325,000 for the creation of the Center City Mobility Plan, a joint effort with the Downtown Seattle Association that will consolidate relevant transportation plan information for the center city area, with \$150,000 of this funding dedicated to developing bicycle corridors through downtown; \$300,000 for further work on the extension of the Burke-Gilman Trail; and \$208,000 annually for greenway development and related community outreach.
- *Third Avenue Corridor Upgrades:* The Third Avenue Corridor overlaps multiple modal plans, and is proposed to receive \$1 million of REET. With this funding SDOT will make important capital upgrades to Third Avenue in downtown. This corridor is a key part of the Mayor's Center City Initiative, which aims to create downtown Seattle streets that are safe, inviting and vibrant. These improvements include a major sidewalk expansion and enhancement near Macy's department store, upgrading all remaining pedestrian signals to countdown signals, and re-marking all faded crosswalks in the corridor.

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The 2013-2014 budget increases the City's annual investment street repair and maintenance investment by \$5 million.

- *Freight Mobility Enhancements:* Recognizing the critical importance of freight mobility to the economic vitality of the city, the 2013-2014 Proposed Budget adds \$486,000 over the biennium for freight mobility enhancements. The existing Freight Spot Improvements capital project, which makes small-scale freight mobility improvements to the City's street system, is increased by \$235,000 in 2014, and \$251,000 over the biennium is added to support the new Freight Master Plan, as planning for the City's freight investments needs has not been examined since 2005.
- *Asset Preservation and Maintenance:* Investments to address the maintenance backlog are critical because deferred maintenance leads to costly repairs in the long-run, and, due to funding constraints, the City lags far behind industry standards for repair and replacement cycles in many functional areas. Most notably, the budget increases the City's annual investment for street repair and maintenance from 2012 funding levels by more than \$5 million. This includes funding for arterial major maintenance projects, which are repairs that span one-to-three city blocks and are performed by SDOT crews, as well as funding to supplement repair work on non-arterial streets in neighborhoods throughout the city. The 2013-2014 Proposed Budget also reinstates support for the chip seal program and creates a related-crack seal program.

Beyond street maintenance, the budget also includes funding for asset preservation related to bridges, traffic signals and signs. In recognition of SDOT's critical role in maintaining bridges, the 2013-2014 Proposed Budget includes \$270,000 to repair the automated control operations system for the University Bridge, and \$95,000 to develop criteria and a methodology for prioritizing bridge seismic upgrades. The budget also programs more than \$1.1 million over the biennium to address major maintenance needs on aging traffic signals and destination signs throughout the City. Finally, the budget adds \$336,000 of General Fund to support the City's ability to respond to storm events.

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### Other City Funds:

The Great Recession also left its mark on other City funds, including the Department of Planning and Development (DPD), Seattle City Light (SCL), and Seattle Public Utilities (SPU). However, three years following the end of the Great Recession, each of these funds is now much healthier and stable. In the case of DPD, it is even in a position to expand as the building and permit climate in Seattle improves.

The 2013-2014 budget restores funding to allow DPD to hire 16 permit revenue-supported positions to respond to the growing demand for building and land use permits in the City of Seattle.

**Department of Planning and Development:** As the regional economy slowly but steadily recovers from the Great Recession, the rate of building development growth in the Puget Sound region is significantly stronger than the national rate. An especially bright spot locally is in the apartment market. Apartment vacancy rates have fallen and rents are beginning to rise, spurring construction for increasingly large apartment building projects. For DPD, this growth translates into increased building permit revenues. While still below historical peak levels, construction permit revenues are projected to continue to grow in 2013 and 2014. In 2009, building permit revenues reached a low point, totaling only \$12.7 million, down from a peak of \$29.2 million in 2007 – a drop of nearly 57% in two years. Since then, revenues have been increasing, with building permit revenues expected to reach \$21.8 million in 2012. As a result of this increase in building permit activity and revenue trend, the 2013-2014 Proposed Budget restores funding for 16 previously unfunded permit revenue-backed positions to help meet demand. As is the case each year, DPD will continue to evaluate its revenue and permit activity, and will adjust its expenditures if needed during 2013.

**Seattle City Light:** In 2012, the City adopted a six-year Strategic Plan for City Light ([Resolution 31383](#)) that identified long-term infrastructure needs, investments to meet changing customer expectations, and internal efficiencies to reduce costs. The Strategic Plan was vetted by the public and the City Light Review Panel, a committee of stakeholders representing City Light's customers, and provides a stable and predictable path for future electricity rates. The 2013-2014 Proposed Budget begins implementation of the Strategic Plan, and includes funding for a new Denny Substation to support economic growth in South Lake Union, reliability improvements for the transmission and distribution systems, and improved training and safety programs. The Proposed Budget also includes efficiency initiatives that are expected to save \$18 million a year

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by 2015. To support the Strategic Plan, the City Council is considering proposed rate increases of 4.4% in 2013 and 5.6% in 2014.

**Seattle Public Utilities:** The 2013-2014 Proposed Budget enables Seattle Public Utilities (SPU) to continue to meet federal and state mandates and provide core services. Funding is provided for SPU to comply with combined sewer overflow and stormwater regulatory requirements, pay for capital financing expenses, and cover costs to develop and operate new solid waste facilities. The budget also reflects SPU's continued efforts to find more efficient and effective ways to deliver services by prioritizing staffing resources and needs and reducing support costs, including costs for professional services and equipment maintenance. SPU's budget is supported by proposed rate increases for drainage, wastewater and solid waste, currently under consideration by the City Council.

Based on current forecasts, the General Fund is in balance for the 2015-2016 biennium.

### Looking Ahead:

Three years following the end of the Great Recession, the 2013-2014 Proposed Budget is not nearly as constrained as recent budgets. Based on current forecasts, the General Fund is in balance for the 2015-2016 biennium. That said, in times of relatively subdued revenue growth, the City needs to continually find more efficient ways of doing business. Moreover, the Great Recession has taught us that things can change very quickly. While still recovering, the economy remains relatively fragile. Disruptions to the global economy could negatively impact current revenue forecasts, as could disruptions to the national economy resulting from upcoming debates in Washington D.C. regarding U.S. fiscal policy. Similarly, a run-up in fuel prices due to disruptions to the oil supply chain or growing demand could have a dampening effect on the out-year budget outlook as a result of increased inflationary pressure. While the 2013-2014 Proposed Budget begins to make important investments to address emerging needs, demand for greater investments remains. For example, the City still faces a backlog in road maintenance and asset preservation, as well as pressure to make additional investments to improve multi-modal transportation throughout the city.

Thus, as 2013-2014 approaches, it remains critical that the City continue efforts taken over the past couple of years to ensure it is delivering services in the most efficient manner possible and that its investments are producing the desired results. In 2013-2014 the City will continue or begin a number of efforts designed to allow this process to continue, including:

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To identify future efficiencies, the City will embark on a number of efforts in 2013, including examining internal service costs and space planning.

**Examining Internal Service Costs:** Central administrative costs essential to running the government are allocated to City funds to recoup the costs equitably and in compliance with state law. To ensure these costs remain as low as possible so as to preserve as much funding as possible for direct service, the City Budget Office, collaborating with the Department of Finance and Administrative Services (FAS), the Department of Information Technology, and client departments, will embark on a process in 2013 to evaluate how these services are provided and whether there are opportunities to improve service delivery at a lower cost. This effort will be guided by best practices and could include an examination of unit cost of services, whether services are being duplicated in other parts of City government, or whether there are lines of business that are better performed by others.

**Citywide Space Planning:** The size of City government is smaller today than it was before the Great Recession as a result of successive years of budget reductions. Thus, this is a good time to evaluate the allocation of City-owned space, particularly within the Seattle Municipal Tower (SMT), to determine if there are opportunities to consolidate space to either bring City employees who are occupying leased space into SMT or to free up sufficient blocks of space in SMT for leasing to outside tenants, particularly as the vacancy rate in the downtown core begins to drop and demand for office space increases. The 2013-2014 Proposed Budget provides FAS with funding to embark on a comprehensive space planning effort.

**Fire Study:** In 2012, the City Budget Office, working collaboratively with the City Council, the Seattle Fire Department (SFD) and representatives of the labor unions representing SFD personnel, embarked on a study of Fire Department operations to identify efficiencies. Some of the recommendations identified in the study's first two phases, which focused on the management structure of the organization, are incorporated in the Proposed Budget. Phase III of the study, which will focus in a data-driven manner on operations and deployment models, will begin in October 2012 and conclude in early 2013. The underlying objective with all phases of this study is to ensure that public safety is protected.

**Seattle Department of Transportation Efficiency Analysis:** The Executive and the City Council have embarked on a joint two-part consultant review of the Seattle Department of Transportation (SDOT). The first phase of the project, to be completed in early 2013, will include an initial assessment of SDOT's operations to identify areas for more in-depth review. The second phase, to be completed by the end of 2013, will examine operational

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The City is measuring the effectiveness of its investments in helping achieve grade-level reading attainment in a pilot project at Northgate Elementary.

changes and efficiencies intended to provide ongoing benefits to Seattle residents and taxpayers. This review will focus on program-level improvements and recommendations, with the goal of identifying changes to operational approaches and management practices that could yield greater budget efficiencies, more productivity, and/or better outcomes for maintaining and improving the City's transportation infrastructure.

**Ensuring City Investments Achieve Intended Outcomes:** The City is obligated to ensure that taxpayer dollars are invested wisely. Especially because funding remains constrained, it is essential that City government evaluate and assess the outcomes of its investments. The City's initial efforts in this area focus primarily on funding that is targeted to youth and families. A 2011 inventory conducted by the City Budget Office determined that the City spends \$85 million across 130 different City programs to meet the needs of youth and families along the *Road Map for Success*, a continuum of indicators from birth to adulthood that are important predictors for an individual's success and self-sufficiency. The inventory highlighted the need to evaluate the effectiveness of City programs as part of a larger, coordinated approach toward strategically aligning investments with measurable outcomes.

With this in mind, the City began a pilot project in 2011, working with the Parks Department, Seattle Public Library, the Department of Neighborhoods, the Human Services Department, the Office for Education and Seattle Public Schools, to move from tracking activities to measuring and evaluating how effective the City's youth and family investments were in influencing third grade reading attainment – a key metric in predicting high school graduation – at Northgate Elementary School, an ethnically and racially diverse school with 87% of the student body qualifying for the free/reduced lunch program and 41% English language learners, and where only 30% of the student body is reading at grade level.

Interestingly, what was learned from this effort is that the City is not in a position to measure the impact of these investments on reading attainment at Northgate Elementary because it became clear that Northgate students and their families were not accessing City services on a wide-scale basis as a means to help the children achieve grade-level reading standards. Due to geographic and language barriers, students and families at Northgate were not using the resources of the Northgate Branch Library, for example, nor were they using the Northgate Community Center – both valuable community resources, but only when taken advantage of. So, measuring the impact of these services on third-

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grade reading attainment was the wrong approach. Instead, the interdepartmental effort evolved into a process to determine how to better link City investments with the actual needs of the students and their families.

What resulted is the *Northgate READS* program, a six-week reading and enrichment program on-site at Northgate Elementary. City of Seattle departments collaborated to re-program and re-focus existing resources to meet the actual needs of the students and families by working in partnership with community groups and parents. The program aligned all available resources to meet the goal of having each child be reading at grade-level by the end of third grade. Services offered included:

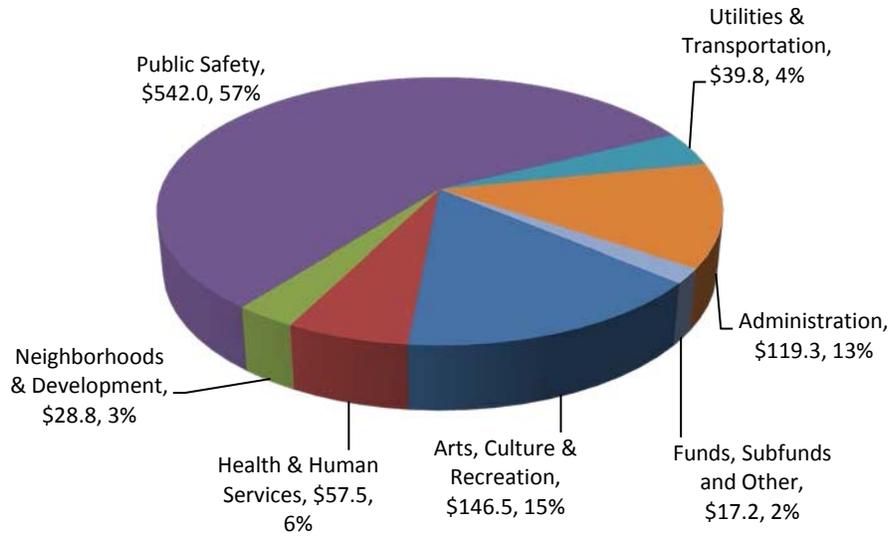
*Northgate READS* is a six-week reading and enrichment program using existing City resources to promote grade-level reading.

- Eleven hours per week of intensive small-group reading instruction supported by more than 45 community providers; and
- Weekly parent learning groups, focusing on strategies for supporting reading development, with on-site childcare for younger siblings.

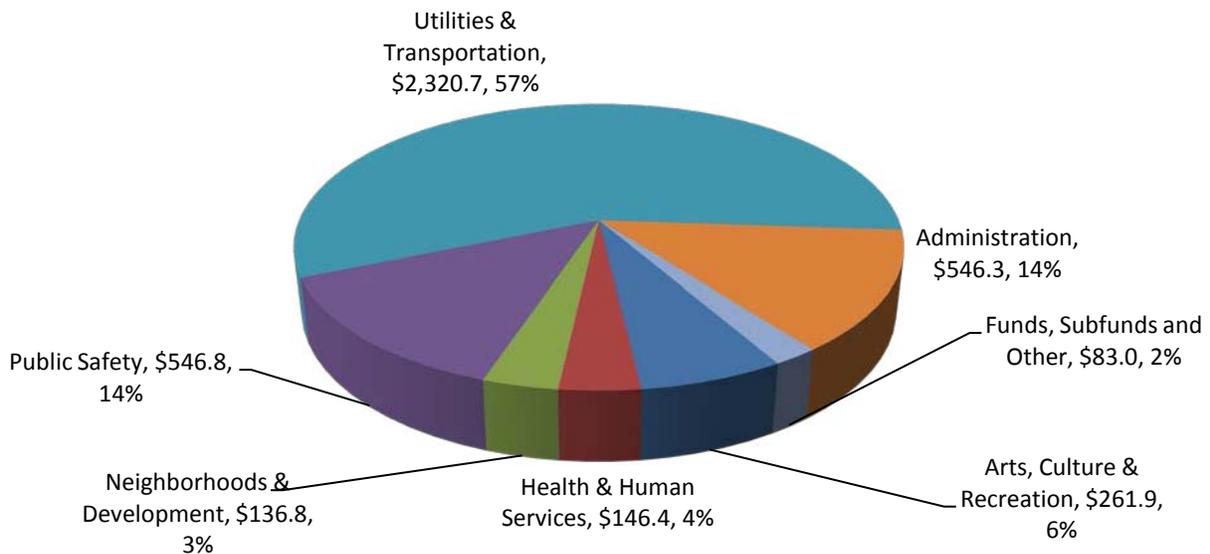
This program was launched during the summer of 2012. Assessment test scores from the fall of 2012 will be used to evaluate the success of the program and will serve as the basis for determining how the City can continue to realign services and investments specifically in the Northgate area, but also possibly at other schools citywide. In times where the need for services outpaces the availability of funds supporting those services, it is essential to measure the effectiveness of the City's investments in achieving intended outcomes. The Northgate project is an important first step in this on-going effort.

# Summary Charts and Tables

**2013 Proposed General Fund Expenditures - \$951.0 Million**  
(in millions of dollars)



**2013 Proposed Expenditures - All Funds, \$4.0 Billion\***  
(in millions of dollars)



## Summary Charts and Tables

### RESOURCES SUMMARY BY SOURCE (in thousands of dollars)\*

#### TOTAL CITY RESOURCES

Revenue Source	2011 Actual	2012 Adopted	2012 Revised	2013 Proposed	2014 Proposed
Taxes, Levies & Bonds	1,068,450	1,014,692	1,107,820	1,177,851	1,220,899
Licenses, Permits, Fines & Fees	153,597	161,392	159,958	166,052	179,672
Interest Earnings	12,819	13,236	13,951	19,756	22,014
Revenue from Other Public Entities	208,340	151,041	167,418	141,381	152,399
Service Charges & Reimbursements	1,311,290	1,386,351	1,373,012	1,441,738	1,510,425
All Else	535,566	574,087	522,370	603,319	648,028
<b>Total: Revenues and Other Financing Sources</b>	<b>3,290,063</b>	<b>3,300,800</b>	<b>3,344,528</b>	<b>3,550,097</b>	<b>3,733,437</b>
Interfund Transfers	577,412	608,197	605,410	650,396	703,422
Balance	54,422	306,287	342,936	202,425	204,845
<b>Total City Resources</b>	<b>3,921,897</b>	<b>4,215,284</b>	<b>4,292,874</b>	<b>4,402,919</b>	<b>4,641,704</b>

\*Totals may not add due to rounding. Total city resources do not equal total city expenditures due to some interfund transfers not accounted for in the expenditures table.

# Summary Charts and Tables

## EXPENDITURE SUMMARY

(in thousands of dollars)

Department	2012 Adopted		2013 Proposed		2014 Proposed	
	General Subfund	Total Funds	General Subfund	Total Funds	General Subfund	Total Funds
<b>Arts, Culture &amp; Recreation</b>						
Office of Arts and Cultural Affairs <sup>(1)</sup>	0	7,373	0	7,077	0	7,278
The Seattle Public Library	49,545	53,587	48,044	66,321	50,131	68,325
Department of Parks and Recreation	81,464	175,239	85,480	151,662	90,967	143,177
Seattle Center	12,876	38,340	12,981	36,790	13,466	37,376
<b>SubTotal</b>	<b>143,884</b>	<b>274,539</b>	<b>146,505</b>	<b>261,850</b>	<b>154,564</b>	<b>256,156</b>
<b>Health &amp; Human Services</b>						
Educational and Developmental Services Levy	0	19,471	0	24,581	0	28,941
Human Services Department	54,352	114,870	57,469	121,861	59,533	124,673
<b>SubTotal</b>	<b>54,352</b>	<b>134,340</b>	<b>57,469</b>	<b>146,442</b>	<b>59,533</b>	<b>153,613</b>
<b>Neighborhoods &amp; Development</b>						
Office of Economic Development	5,865	9,957	6,135	9,119	6,230	7,439
Office of Housing	86	40,472	0	49,736	0	49,953
Department of Neighborhoods	8,464	8,464	10,378	10,378	10,854	10,854
Neighborhood Matching Subfund	2,779	3,093	2,991	3,311	3,066	3,393
Pike Place Market Levy	0	4,102	0	8,955	0	8,952
Department of Planning and Development	9,196	51,093	9,249	55,338	9,547	56,345
<b>SubTotal</b>	<b>26,390</b>	<b>117,180</b>	<b>28,753</b>	<b>136,837</b>	<b>29,697</b>	<b>136,936</b>
<b>Public Safety</b>						
Criminal Justice Contracted Services	22,742	22,742	22,492	22,492	23,236	23,236
Fire Facilities Fund	0	9,232	0	1,248	0	1,248
Firemen's Pension	18,875	20,189	18,273	20,017	18,060	19,829
Law Department	19,189	19,189	20,361	20,361	20,966	20,966
Municipal Jail	0	1,000	0	1,000	0	1,000
Police Relief and Pension	21,312	22,185	18,987	19,787	18,558	19,359
Seattle Fire Department	160,957	160,957	166,290	166,290	173,684	173,684
Seattle Municipal Court	26,638	26,638	27,507	27,507	28,289	28,289
Seattle Police Department	252,217	252,217	268,136	268,136	265,974	265,974
<b>SubTotal</b>	<b>521,931</b>	<b>534,350</b>	<b>542,046</b>	<b>546,838</b>	<b>548,766</b>	<b>553,584</b>
<b>Utilities &amp; Transportation</b>						
Seattle City Light	0	1,135,550	0	1,142,280	0	1,199,983
Seattle Public Utilities	1,205	819,238	1,139	849,920	1,167	903,285
Seattle Transportation	37,636	310,651	38,669	317,888	39,072	385,297
Seattle Streetcar	0	878	0	731	0	5,700
Central Waterfront Improvement	0	2,000	0	9,890	0	595
<b>SubTotal</b>	<b>38,841</b>	<b>2,268,316</b>	<b>39,808</b>	<b>2,320,709</b>	<b>40,239</b>	<b>2,494,860</b>

## Summary Charts and Tables

Department	2012 Adopted		2013 Proposed		2014 Proposed	
	General Subfund	Total Funds	General Subfund	Total Funds	General Subfund	Total Funds
<b>Administration</b>						
Civil Service Commissions	344	344	373	373	386	386
City Budget Office	4,031	4,031	4,086	4,086	4,206	4,206
Department of Information Technology	4,150	49,151	4,609	55,865	4,977	87,128
Employees' Retirement System	0	12,257	0	13,284	0	13,396
Ethics and Elections Commission	760	760	898	898	783	783
Finance General	51,872	51,872	51,217	51,217	52,017	52,017
Finance and Administrative Services <sup>(2)</sup>	21,751	172,881	21,543	191,491	22,804	202,010
Legislative Department	11,771	11,771	12,066	12,066	12,443	12,443
Office of City Auditor	1,251	1,251	1,510	1,510	1,356	1,356
Office of Hearing Examiner	608	608	635	635	656	656
Office of Immigrant and Refugee Affairs	238	238	361	361	373	373
Office of Intergovernmental Relations	2,091	2,091	2,018	2,018	2,080	2,080
Office of Sustainability and Environment	1,821	1,821	1,896	1,896	2,022	2,022
Office of the Mayor	3,498	3,498	3,641	3,641	3,758	3,758
Personnel Compensation Trust Subfunds	0	184,192	0	192,569	0	207,217
Personnel Department	11,531	11,531	11,815	11,815	12,171	12,171
Seattle Office for Civil Rights	2,566	2,566	2,614	2,614	2,738	2,738
<b>SubTotal</b>	<b>118,282</b>	<b>510,862</b>	<b>119,282</b>	<b>546,338</b>	<b>122,771</b>	<b>604,740</b>
<b>Funds, Subfunds and Other</b>						
Bonds Debt Service <sup>(3)</sup>	13,092	20,065	13,695	19,475	16,773	18,724
Cumulative Reserve Subfund <sup>(4)</sup>	0	2,105	0	38,585	0	30,350
Fiscal Reserve Subfunds	0	0	0	566	0	0
Judgment/Claims Subfund	1,191	17,830	648	15,034	758	16,859
Parking Garage Fund	0	8,093	2,813	9,359	2,032	8,688
<b>SubTotal</b>	<b>14,283</b>	<b>48,093</b>	<b>17,156</b>	<b>83,018</b>	<b>19,563</b>	<b>74,621</b>
<b>Grand Total*</b>	<b>917,962</b>	<b>3,887,680</b>	<b>951,018</b>	<b>4,042,033</b>	<b>975,133</b>	<b>4,274,510</b>

\*Totals may not add due to rounding

Notes:

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

## General Subfund Revenue Overview

### City Revenue Sources and Fund Accounting System

The City of Seattle expends \$4.2 billion (Proposed 2013) annually on services and programs for Seattle residents. State law authorizes the City to raise revenues to support these expenditures. There are four main sources of revenues. First, taxes, license fees, and fines support activities typically associated with City government, such as police and fire services, parks, and libraries. Second, certain City activities are partially or completely supported by fees for services, regulatory fees, or dedicated property tax levies. Examples of City activities funded in-whole or in-part with fees include certain facilities at the Seattle Center, recreational facilities, and building inspections. Third, City utility services (electricity, water, drainage and wastewater, and solid waste) are supported by charges to customers for services provided. Finally, grant revenues from private, state, or federal agencies support a variety of City services, including social services, street and bridge repair, and targeted police services.

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

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

All City revenue sources are directly or indirectly affected by the performance of the local, regional, national, and even international economies. For example, revenue collections from sales, business and occupation, and utility taxes, which together account for 57.0% of General Subfund revenue, fluctuate significantly as economic conditions affecting personal income, construction, wholesale and retail sales, and other factors in the Puget Sound region change. The following sections describe the current outlook for the local and national economies, and present greater detail on forecasts for revenues supporting the General Subfund, Cumulative Reserve Subfund, and the Transportation Fund.

### The National and Local Economies, September 2012

#### National Economic Conditions and Outlook

***A look back at the roots of the Great Recession.*** The Great Recession officially ended in June 2009, which means the recovery is now over three years old. This recovery is proving to be very different from most recoveries; growth has been unusually weak and whenever the economy has shifted into a higher gear it has been unable to sustain its momentum. Periods of healthy growth have inevitably been followed by periods of stagnation. With economists continuing to puzzle over the future direction of the economy, some insight into the future can be gained by looking back in time and reviewing the events that brought about the worst downturn since the Great Depression.

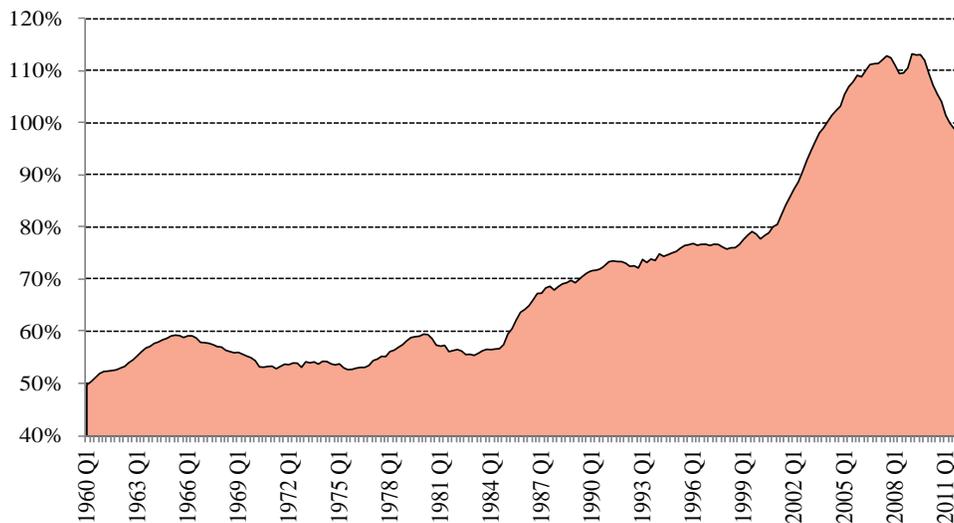
# Revenue Overview

We can trace the roots of the current recession back to the early 1980s when, in reaction to the high inflation of the 1970s, investors developed a preference for stocks and real estate, because they were less vulnerable to erosion by inflation than other types of investments. The early 1980s was also when the federal government began running large budget deficits on an ongoing basis, which has resulted in a buildup in federal government debt. Lastly, the movement to deregulate financial markets got its start in the early 1980s.

The early 1980s ushered in a 25 year period characterized by stable economic conditions and low inflation that is sometimes called the “great moderation.” Inflation was low in part because the integration of China and other developing countries into the world economy helped to hold down the price of goods and, to a lesser extent, services. With inflation under control, the Federal Reserve was able to keep interest rates at relatively low levels. In addition, a surplus of savings in many developing countries provided a large pool of money available for investment.

A stable economy made investors feel confident and optimistic, which, combined with an abundance of cheap money, led to excessive borrowing and risk taking and a huge buildup in U.S. household debt (see Figure 1). A lot of the borrowed money was used to purchase assets, which pushed up the price of those assets and eventually led to the buildup of asset bubbles. These included the housing bubble of the late 1980s, the stock market bubble of the late 1990s, and, biggest of all, the housing bubble of 1998-2006. During the 2000-10 decade, there were also bubbles in energy, food, and other commodities, as well as housing bubbles in numerous countries across the globe.

**Figure 1. U.S. Household Debt as a Share of Personal Income**



Source: Federal Reserve Board, U.S. Bureau of Economic Analysis.

With asset prices rising, Americans cut back on saving and increased their spending, driving the expansion of the world economy. Eventually housing prices rose to a level that could not be sustained, even with exotic mortgage products, and prices began to fall. The collapse of the housing bubble triggered the financial crisis which, in turn, precipitated the worldwide recession. While the housing bubble was the trigger for the downturn, many economists believe the root cause of the financial crisis was the large imbalances in savings and borrowing that had built up between nations.

## Revenue Overview

The preceding review of the roots of the recession has a number of implications for the recovery:

- The problems developed over a 25-year time period, so the return to normalcy will not occur quickly.
- The roots of the downturn are global in nature, which means policy changes are needed in many nations to bring the world economy back into balance.
- The 2007-09 recession was unlike other postwar recessions, so we can expect the recovery to be different as well.
- To have a sustained recovery, the federal government must get its budget deficit under control.
- Consumer spending will be restrained by the need to reduce debt and increase savings.

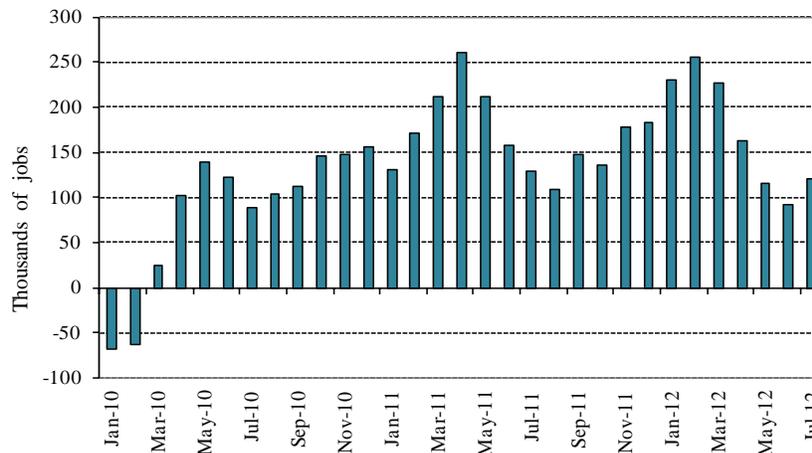
The recession ended in June 2009, 18 months after it started, making it the longest recession in the post war period. By most measures the recession was the worst since the Great Depression. Real Gross Domestic Product (GDP) declined by 5.1% over a period of six quarters, 8.8 million jobs, representing 6.4% of total jobs, were lost, and the unemployment rate rose to a peak of 10.0%.

**The recovery has been weak and uneven thus far.** In each of its three years, the recovery has experienced a significant slowdown in mid-year. In 2010, the economy lost momentum in mid-year as inventory rebuilding slowed, stimulus spending began to plateau, and the European financial crisis emerged. The 2011 slowdown was caused by a steep rise in oil prices resulting from popular uprisings in several Middle East nations, and the disruption of the supply chains of global manufacturers caused by a major Japanese earthquake and tsunami. The weakened economy was then subjected to the debt ceiling standoff, in which Congress delayed raising the nation's debt ceiling until the U.S. was on the brink of default.

2012's mid-year slowdown followed a period of relative calm and healthy growth in late 2011 and early 2012, which saw employment gains average over 250,000 per month from December through February. The economy then slowed abruptly, with average employment growth dropping below 75,000 per month for the April – June period, before rebounding to 163,000 in July. Causes of the 2012 spring slowdown include:

- Some seasonal employment was pulled forward in time due to the warm winter, thus magnifying the spring slowdown.
- Gasoline prices rose steadily during first quarter, peaking in early April.
- The Eurozone's quiet period ended, as Spain and Italy faced rising interest rates for their debt.
- Uncertainty over U.S. fiscal policy weighed on consumer and investor confidence.
- Slower growth in the rest of the world curtailed the demand for U.S. exports.

**Figure 2. Monthly Change in U.S. Private Sector Employment**



\*Data are seasonally adjusted, 3-month moving average.  
Source: U.S. Bureau of Labor Statistics.

## Revenue Overview

The ups and downs of the recovery are reflected in U.S. employment statistics. With public sector employment figures distorted by 2010 Census-related hiring and layoffs, trends can be discerned best by focusing on private sector employment. Figure 2 shows the monthly change in U.S. private sector employment, with the data smoothed by computing a 3-month moving average (i.e., taking an average of the current month and the two previous months).

One positive development in 2012 has been an incipient turnaround in the housing market. While housing is still far from healthy, it is slowly making the transition from being a drag on the economy to being a source of growth. Housing starts are slowly increasing, sales have risen modestly, and prices have been rising from a low point in January of this year. The increase in prices is particularly beneficial because any price gain reduces the number of homeowners with “underwater” mortgages. Key to the turnaround has been a drop in the inventory of unsold homes to near normal levels.

**National forecasters anticipate that the recovery will remain sluggish.** History tells us that recessions caused by financial crises are followed by weak recoveries, and thus far the current recovery is unfolding as expected. Despite the improvements in the financial markets, credit remains tight and consumers are under stress due to large declines in wealth, a weak job market, and sluggish income growth. Also weighing on the recovery are a slowing of growth in the rest of the world, the Eurozone debt crisis, and fiscal uncertainty in the U.S.

Global Insight expects real GDP to grow at a 2.0% pace in both the second half of 2012 and in 2013, as policy uncertainties in the U.S. and Europe continue to hamper the recovery. GDP growth is expected to pick-up in 2014 and 2015, to 2.7% and 3.3%, respectively, before dropping back to the 3 percent range. Part of the reason for stronger growth in 2014 and 2015 is an expected gradual improvement in the housing market.

In discussing risks to its forecast, Global Insight identifies the two worrisome events that have a relatively low likelihood of occurring in the near future but which could have severe impacts on the economy if they were to happen. The first is the U.S. fiscal cliff, the combination of tax increases and budget cuts scheduled to take effect in January 2013 under current policy. These include the expiration of the 2% Social Security tax cut, the end of the Bush tax cuts, and the implementation of the deep spending cuts agreed to last summer to end the debt ceiling standoff. If these changes were to take effect they would reduce 2013 GDP by 3% to 4%, which would almost certainly push the U.S. economy into recession. The second low probability, high impact event is a full-blown European financial meltdown. The greatest impact on the U.S. economy would likely come by way of the financial markets, via tighter credit and a big drop in the stock market, rather than a drop in exports to Europe.

Global Insight also identified a couple of near-term risks that are more likely to occur, but whose impacts would be less severe. These are a protracted Eurozone recession and an exit from the Eurozone by Greece, and a significant slowing of growth in China. Offsetting at least some of the downside risk are lower oil prices, lower worldwide inflation, and lower borrowing rates for most nations.

## Puget Sound Region Economic Conditions and Outlook

**Thus far the Puget Sound region’s recovery has been stronger than the nation’s.** The impact of a national recession on a regional economy depends on the characteristics of both the national recession and the region’s economy. During some national recessions, such as the 2001-03 recession, the Puget Sound region has suffered a sharper contraction than the nation, while in other recessions the region has fared better than the nation, such as during the 1990-91 recession. The impact of the 2007-09 recession on the local economy has been similar in severity to its impact on the national economy. While job loss was higher locally, the region’s unemployment rate did not rise as high as the national rate and the region’s housing market has performed somewhat better than the nation’s.

During the 2007-09 recession, the Seattle metro area (King and Snohomish Counties) had a peak-to-trough loss of 125,000 jobs, an 8.4% decline. The 8.4% decline exceeded both the national decline of 6.4% and the metro area’s

## Revenue Overview

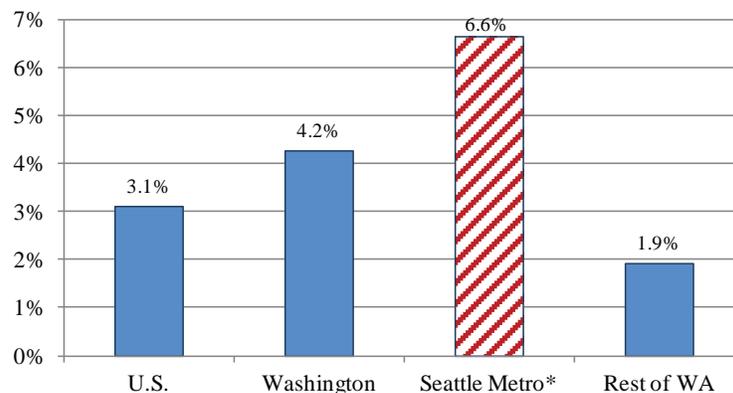
6.6% job loss during the 2001-03 recession. Locally, the most severe job losses were in construction, manufacturing outside of aerospace, and finance.

Interestingly, although the metro area's rate of job loss exceeded the nation's, the local unemployment rate peaked at 9.7%, below the national peak of 10.0%. In part this was due to the fact that the region entered the recession with a significantly lower unemployment rate than the nation. The increase in the unemployment rate from pre-recession low to post-recession high was greater for the region than the nation.

Like the nation, the region has suffered through a housing boom and bust over the past ten years, but the housing downturn has been less severe here than nationally. Through the fourth quarter of 2011, when prices hit bottom, single-family home prices in the region had fallen by 30.7% from their peak four years earlier, compared to a 34.1% peak-to-trough drop nationally, as measured by the Case-Shiller housing price index. In addition, local rates of foreclosure have been lower than national rates.

The Seattle metro area has rebounded from the recession more strongly than the nation. Through July 2012, Seattle metro area (King and Snohomish Co.) employment was up 6.6% from its post-recession low in February 2010, compared to a 3.1% gain for the U.S. and a 4.2% gain for the state over the same period (see Figure 3). Areas of strength in the local economy include aerospace, other manufacturing, professional, scientific, and technical services, health services, and mail order and internet retail. Boeing, which has an order backlog of over 4,000 planes, is phasing in a series of production increases for its 737, 777, and 787 models in 2011-14. After significant delays the 787 is flying, work on the Air Force tanker is ramping up, and Boeing is moving forward with the 737 MAX, a re-engineered 737 that will have new fuel efficient engines. Since May 2010, Boeing has added 13,700 jobs in Washington State. Amazon, which is planning to build a new campus in the Denny Triangle, has also been hiring aggressively.

**Figure 3. Employment Change: Post-Recession Trough to July 2012**



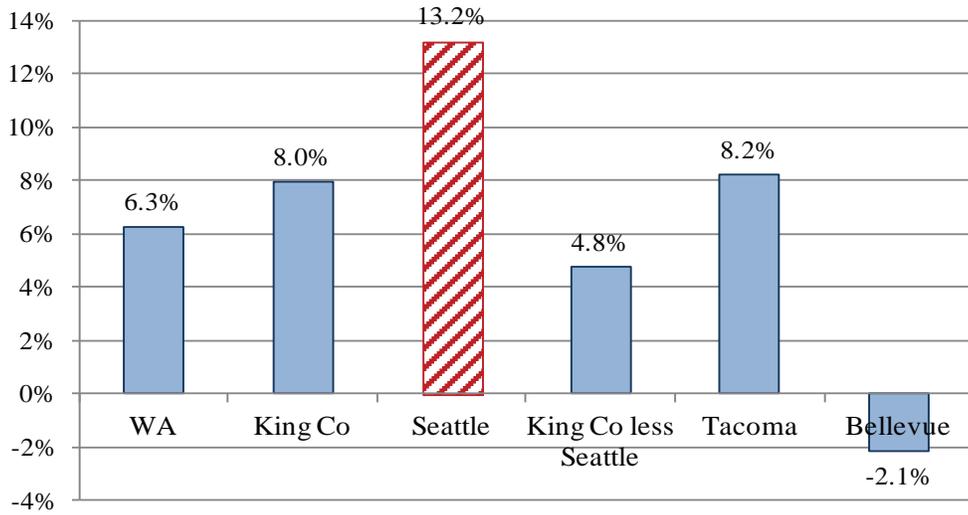
\*King & Snohomish Counties.

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

**Growth in Seattle has been particularly robust.** At the same time that Seattle metro area growth has been outpacing growth in the nation and the state, the City of Seattle has been growing faster than the metro area. This can be seen by looking at data for taxable retail sales (i.e., the tax base for the retail sales tax), one of the few sources of relatively current economic data available at the county and city levels. From the beginning of the recovery in first quarter 2010 through the first quarter of 2012, taxable retail sales have increased 13.2% in Seattle, compared to gains of 6.3% and 8.0% in the state and King County, respectively (see Figure 4). Much of Seattle's relative strength is due to an upswing in construction activity in the city. However, even if construction is removed from the data, Seattle still stands out. For example, the growth rate of taxable sales excluding construction is 12.1% for Seattle and 8.1% for the rest of King County.

# Revenue Overview

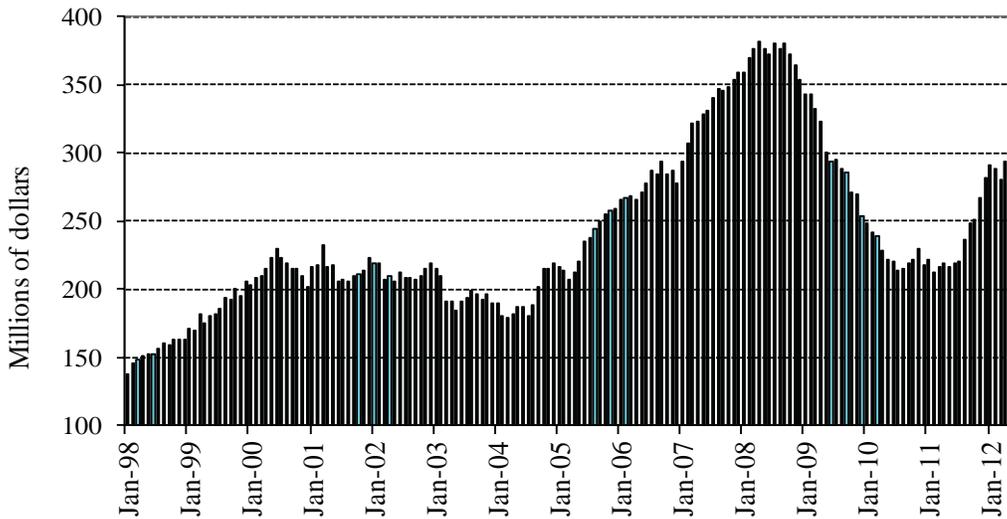
**Figure 4. Taxable Retail Sales Growth, 2010 Q1 – 2012 Q1**



Source: WA Dept. of Revenue.

During the past year, Seattle has seen a sharp rebound in construction activity (see Figure 5). Taxable sales for construction were up 34.5% through first quarter 2012 from a post-recession low only three quarters earlier. While thus far virtually all of the rebound has been in apartments, conditions in the office and condominium markets have improved significantly. Office vacancy rates have dropped below 15% after peaking at over 21% two years ago. Amazon is expected to begin construction on the first of three Denny Triangle office towers in 2013, and there is speculation that one or more permitted office projects that have been on hold since the recession began could break ground next year. In the condominium market, the glut of unsold units that built up during the recession is mostly gone, and prices have been rising in recent months. The city's first new condominium project in several years, a 41-story tower at 5<sup>th</sup> and Bell, broke ground this summer.

**Figure 5. Seasonally Adjusted\* Taxable Retail Sales, Construction**



\*Data, which include non-current sales, are 3 month moving average of monthly series.

Source: WA Dept. of Revenue.

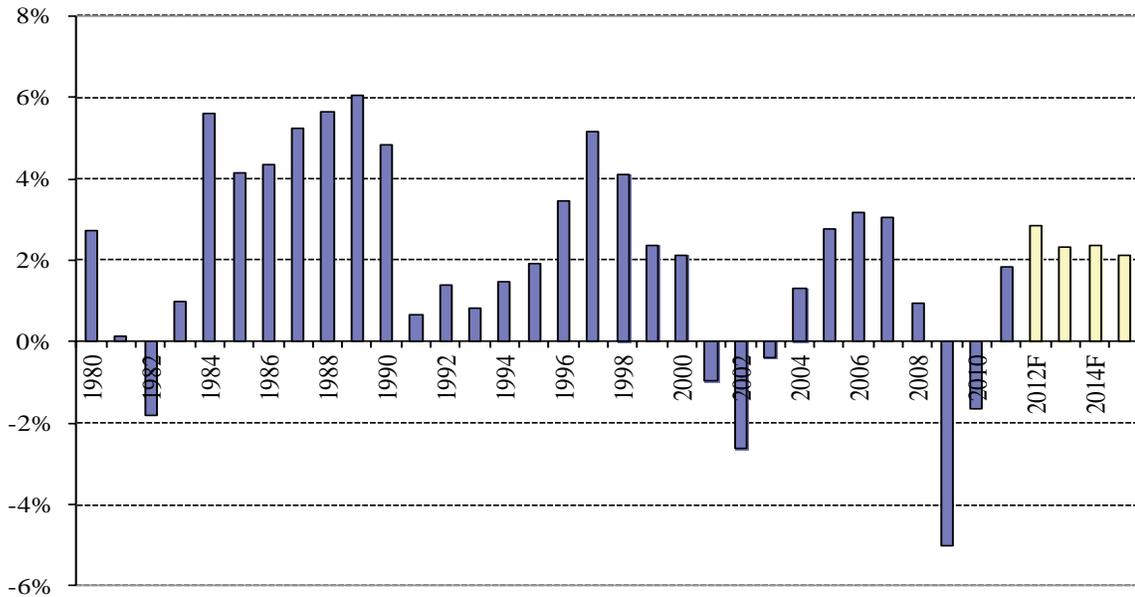
# Revenue Overview

Other sources of growth in Seattle include professional, scientific, and technical services, an industry that has rebounded strongly from the recession, and travel and tourism, as indicated by a 21.1% increase in taxable retail sales for accommodations between 2010 Q1 and 2012 Q1. In addition, Amazon has been hiring aggressively and the city’s housing market is improving, with both the number of sales and prices up over 10 percent from the beginning of 2012.

**Despite a strong start the region’s recovery is expected to be modest by historical standards.** The regional economic forecast foresees a modest recovery, in large part because the national recovery is expected to remain subdued. Thus far during the recovery the region has grown significantly faster than the nation. The forecast assumes the region continues to grow faster than the nation, but that the gap between regional and national growth narrows as the recovery moves forward.

The Puget Sound Economic Forecaster expects employment growth to peak at 2.8% in 2012 and then gradually slow over time, dropping to 2.1% in 2015 and 1.8% in 2016 (see Figure 6). This is a slower rate of growth than is typical during recoveries, and is lower than the 2.5% average annual growth rate posted over the past 40 years (which includes periods of recession). Housing is expected to recover more slowly than the rest of the economy.

**Figure 6. Puget Sound Region\* Employment: Annual Growth Rate**



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

2012-15 forecasts are from the Puget Sound Economic Forecaster's June 2012 forecast.

## Consumer Price Inflation

**Inflation has returned after disappearing during the 2007-09 recession.** During the mid-2000s, consumer prices rose steadily, driven in large part by a relentless rise in oil prices from a low of just above \$20 per barrel in early 2002 to a peak of \$147 per barrel in July of 2008. As oil prices peaked, so did the consumer price index (CPI), with the U.S. CPI-U rising to 5.6% in July 2008 measured on a year-over-year basis – its highest level in 17 years. Then the worst economic downturn in 80 years pushed inflation rates down to levels not seen since the 1950s. The annual growth rate of the U.S. CPI-U fell to -0.4% in 2009, the first time in 54 years that consumer prices have declined on an annual basis. Prices rebounded in 2010, with the annual CPI-U posting a 1.6% gain, and then rose further in 2011 to a 3.2% pace, driven by a 15.4% rise in energy prices. 2012 has seen inflation slow to 2.3% for the first half of the year.

# Revenue Overview

Local inflation has largely followed national inflation because commodity prices and national economic conditions are key drivers of local prices. The growth rate of the Seattle CPI-U peaked at 4.2% in 2008, and then dropped to 0.6% in 2009 and 0.3% in 2010. Inflation then rebounded to 2.7% in 2011, driven by a rise in prices for energy and other commodities, and has continued at that pace in 2012, posting 2.8% growth for the first half of the year. With the region’s economy now growing faster than the nation’s, inflation is stronger locally than nationally.

***Inflation is expected to remain subdued.*** In the short- to medium-term, inflationary pressures are expected to remain subdued, as the weakness of the global economy restrains price pressures for commodities, goods, and services. With unemployment likely to remain elevated for several years, wage pressures will also remain subdued. Going forward, the CPI is expected to average between two and two-and-a-half percent, though we will likely see some movement outside of this range if energy or food prices rise or fall steeply. This summer’s drought will keep grain prices high until 2013, and push up meat prices later this year and early next year. The price of food is likely to replace the price of gasoline as the consumer’s main inflation worry.

Figure 7 presents historical data and forecasts of inflation for the U.S. and the Seattle metropolitan area through 2015. The forecasts are for the CPI-W, which measures price changes for urban wage earners and clerical workers (the CPI-U measures price changes for all urban consumers). The specific growth rate measures shown in Figure 7 are used as the bases of cost-of-living adjustments in City of Seattle wage agreements.

**Figure 7. Consumer Price Index Forecast**

	Seattle CPI-W (June-June growth rate)	Seattle CPI-W (growth rate for 12 months ending in June)
2011 (actual)	3.7%	1.8%
2012 (actual)	<b>2.7%</b>	3.3%
2013	2.1%	2.3%
2014	2.5%	2.3%
2015	2.4%	2.5%

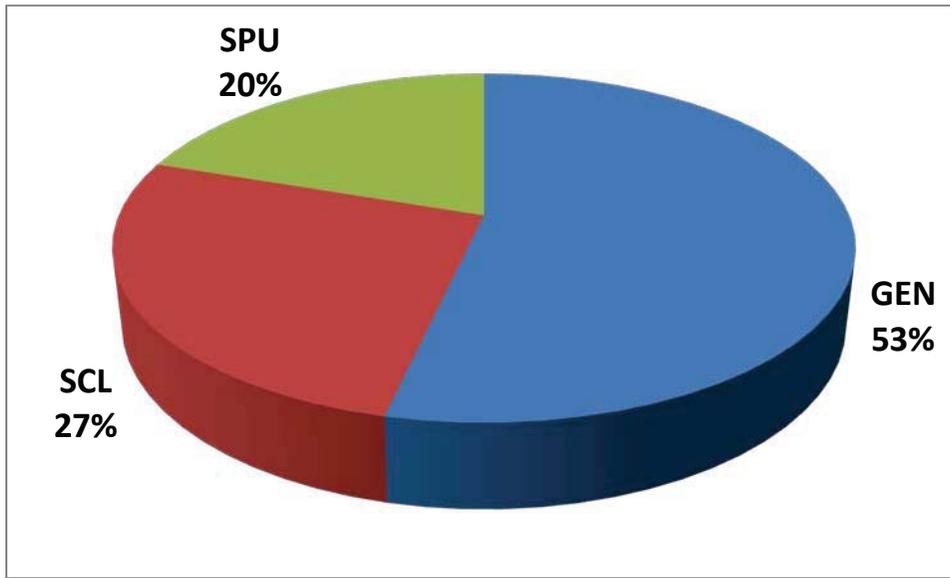
Source: U.S. Bureau of Labor Statistics, City of Seattle.

## City Revenues

The City of Seattle projects total revenues of approximately \$4.2 billion in 2013. As Figure 8 shows, approximately 47% of these revenues are associated with the City’s utility services, Seattle City Light and Seattle Public Utilities’ Water, Drainage and Wastewater, and Solid Waste divisions. The remaining 53% are associated with general government services, such as police, fire, parks, and libraries. Money obtained from debt issuance is included in the total numbers as are interdepartmental transfers. The following sections describe forecasts for revenue supporting the City’s primary operating fund, the General Subfund, its primary capital subfund, the Cumulative Reserve Subfund, as well as specific revenues supporting the City’s Bridging the Gap Transportation program in the Transportation Fund.

# Revenue Overview

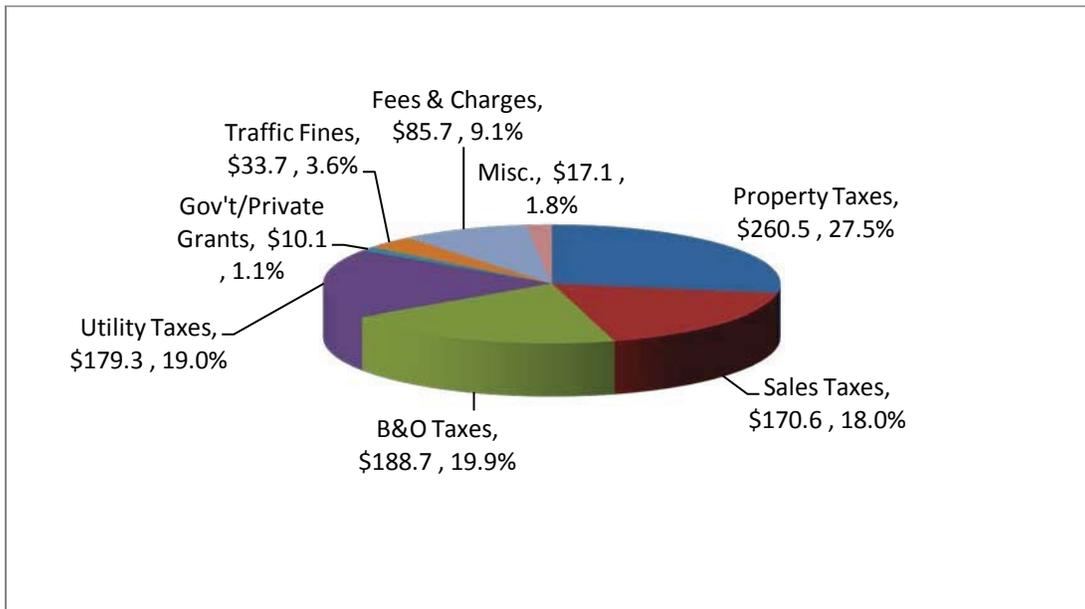
Figure 8. Total City Revenue by Use – Proposed 2013 \$4.2 Billion



## General Subfund Revenue Forecast

Expenses paid from the General Subfund are supported primarily by taxes. As Figure 9 illustrates, the most significant revenue source is the property tax, which accounts for 27.5%, followed by utility taxes, the Business and Occupation (B&O) tax, and sales taxes.

Figure 9. 2013 Proposed General Subfund Revenue Forecast by Source - \$945.8M



In 2011, general government revenue into the General Subfund totaled approximately \$926.2 million. General Subfund revenue is projected to be \$930.7 million in 2012, \$945.8 million in 2013 and \$986.4 million in 2014. 2011

## Revenue Overview

revenues were artificially high due to contributions from the Revenue Stabilization Account, or “Rainy Day Fund,” in the amount of \$8.5 million as well as some pass-through revenues that are not appropriated in adopted budgets.

Figure 10 shows General Subfund actual revenues for 2011, adopted and revised revenues for 2012, as well as the proposed revenues for 2013 and 2014. Revenue growth has returned to the City’s finances, albeit at a subdued level. B&O and sales tax revenues are expanding, but not at the rate normally seen during expansionary periods. B&O growth is expected to average 4.8% over the 2013-2014 period and sales taxes will average 3.5% over the same. The hangover effects from the economic downturn continue to affect local economic activity and the revenue streams most closely aligned with the economy.

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

On-street parking and parking enforcement continue to be a source of revenue changes in 2012 and the Proposed 2013-14 Budget biennium. In 2011 and 2012 the City accelerated its transition to a data-driven, performance based approach to managing on-street parking making numerous rate, boundary and time-limit changes throughout the City’s paid parking areas. It also implemented a scofflaw booting program to improve payment compliance on parking citations. Late 2012 and early 2013 implementation of a new pay-by-phone payment program for on-street parking and proposed increases in Parking Enforcement Officers (PEO) will further add to the variability in these revenues. Scheduled losses of paid parking spaces due to construction activity related to the Alaskan Way Viaduct replacement project, reconfiguration of the Mercer St. corridor and several other road construction projects are also negatively affecting both on-street parking and enforcement revenues throughout 2012 and the 2013-14 Proposed Budget biennium. The 2012 Adopted Budget also increased the City’s red light camera program by adding 6 new approaches, for a total of 36 locations and added fixed, speed detection cameras in 4 school zones in an effort to reduce speeds and the likelihood of vehicle-pedestrian accidents. Overall revenue effects from this wide array of changes are for general declines in enforcement revenues and for modest increases in on-street parking revenues. Revenues from the scofflaw booting program are expected to perform roughly as anticipated in the 2012 Adopted Budget and to remain fairly stable in 2013-14 at roughly \$1.5 million annually.

Property taxes are another area of significant change. The Proposed 2013-14 Budget assumes renewal of the Medic One/EMS levy at the level proposed by the Medic One/EMS Advisory Task Force. With modest anticipated growth in the City’s assessed value in 2014, this revenue is estimated to increase 12%, or approximately \$4.2 million, over a projection of its level under current levy assumptions, for a total levy of \$39.2 million in 2014. 2012 marks the end of the City’s 9-year, \$167.2 million Fire Facilities Levy. However, in August 2012, voters approved a 7 year, \$122.6 million levy lid lift to support the operations and maintenance of the Seattle Public Library system.

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

## Revenue Overview

Beginning in 2009, City staff deposited 100% of the revenue from these taxes and fees directly into the General Subfund or other funds as appropriate. This has greatly simplified City accounting. The General Subfund support to the PRF is increased by an amount equal to PRF revenue from these taxes. For 2011 and 2012, General Subfund support to the Parks and Recreation department will be \$78.1 million and \$81.3 million. These contributions are well above the \$37.5 and \$39.5 million that would accrue to parks under the previous 10% accounting approach.

**Figure 10. General Subfund Revenue, 2011 – 2014\***  
(in thousands of dollars)

Revenue Source	2011 Actuals	2012 Adopted	2012 Revised	2013 Proposed	2014 Proposed
General Property Tax <sup>(1)</sup>	218,732	221,869	224,358	226,267	230,846
Property Tax - Medic One Levy	35,507	35,083	34,584	34,234	39,187
Retail Sales Tax	144,752	143,695	152,171	157,257	163,046
Retail Sales Tax - Criminal Justice Levy	12,303	13,313	12,653	13,330	13,956
B&O Tax (100%)	168,781	176,711	181,605	188,668	199,462
Utilities Business Tax - Telephone (100%)	27,967	33,150	26,323	26,926	27,680
Utilities Business Tax - City Light (100%)	40,517	42,976	42,401	43,918	46,603
Utilities Business Tax - SWU & priv.garb. (100%)	13,351	14,023	13,560	14,168	14,487
Utilities Business Tax - City Water (100%)	23,280	26,592	25,364	26,981	29,148
Utilities Business Tax - DWU (100%)	32,449	34,479	34,082	36,696	37,384
Utilities Business Tax - Natural Gas (100%)	14,822	13,259	12,951	12,944	14,349
Utilities Business Tax - Other Private (100%)	17,530	17,275	17,290	17,710	18,271
Admission Tax	5,859	5,920	5,928	6,111	6,301
Other Tax	5,191	5,070	5,110	5,090	5,110
<b>Total Taxes</b>	<b>761,040</b>	<b>783,416</b>	<b>788,381</b>	<b>810,300</b>	<b>845,831</b>
Licenses and Permits	12,350	11,982	12,608	12,804	12,867
Parking Meters/Meter Hoods	31,314	41,067	34,494	34,825	35,494
Court Fines (100%)	31,389	34,170	32,263	33,711	34,699
Interest Income	1,349	2,576	1,687	1,864	2,381
Revenue from Other Public Entities <sup>(2)</sup>	37,456	10,802	11,335	10,113	11,183
Service Charges & Reimbursements	39,326	36,633	37,667	38,106	39,036
<b>Total: Revenue and Other Financing Sources</b>	<b>914,225</b>	<b>920,646</b>	<b>918,435</b>	<b>941,723</b>	<b>981,491</b>
All Else	2,918	1,986	2,412	1,894	4,270
Interfund Transfers <sup>(3)</sup>	9,063	663	9,807	2,174	637
<b>Total, General Subfund</b>	<b>926,206</b>	<b>923,295</b>	<b>930,654</b>	<b>945,790</b>	<b>986,398</b>

**NOTES:**

- (1) Includes property tax levied for the Firemen's Pension Fund per RCW 41.16.060.
- (2) Included in 2011 Actual figures are the pass-through revenues that are not appropriated in adopted budgets.
- (3) The 2011 interfund transfer amount includes the \$8.5 million loan from the Museum of History and Industry. The 2012 amount includes \$8.1 million from the sale of the rubble yard for Alaskan Way Viaduct replacement.

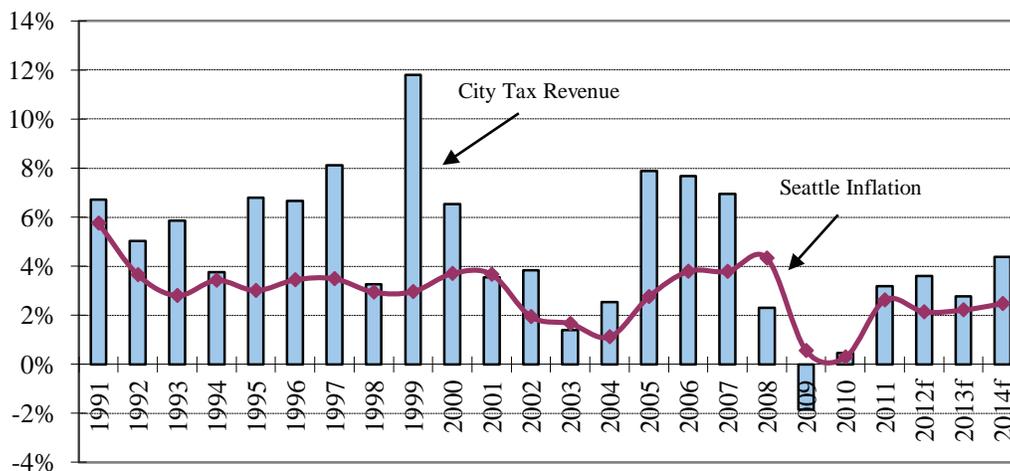
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\* In the past, 10% of certain tax and fee revenues were shown as revenue to the Parks and Recreation Fund and 90% as General Subfund. As of 2009, 100% of these revenues (depicted as "100%" in the table) are deposited into the General Subfund. General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

## Revenue Overview

Figure 11 illustrates tax revenue growth outpacing inflation for most of the 1990s and 2000, before the 2001-2003 local recession took hold. Slow growth posted in 2001 is also attributable to Initiative 747, which reduced the statutory annual growth limit for property tax revenues from 6.0% to 1.0%, beginning in 2002. Economic growth starting in 2004 led to very strong revenue growth in 2005 through 2007, staying well above inflation. The tax revenue growth was outmatched by inflation in 2008 and 2009. The Seattle rate of inflation fell to near zero in 2009 and 2010, but tax revenue growth was negative by almost 2% in 2009. Inflation is forecast to be stable and low over the coming biennium. Tax revenue growth is forecast to be positive and above inflation, with an average annual growth rate of 3.6% for 2012 through 2014. Inflation for the same period will average 2.3%.

**Figure 11. City of Seattle Tax Revenue Growth, 1991-2014**



### 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. The total amount of property taxes imposed by a taxing jurisdiction is approved by ordinance. This approved levy amount is then divided across the assessed value (AV) of all property in the jurisdiction to determine the tax rate. In accordance with the Washington State Constitution and state law, property taxes paid by a property owner are determined by a taxing district's single uniform rate, which is calculated as the rate per \$1,000 of assessed value, applied to the value of a given property. Figure 9 shows the different jurisdictions whose rates make up the total property tax rate imposed on Seattle property owners. The King County Assessor determines the value of properties, which is intended to generally reflect 100% of the property's market value.

For the first time in 14 years, total assessed value in the City of Seattle fell in 2010 by approximately 10.3 percent. AV fell again in 2011 and 2012 by 2.9 percent and 2.23 percent respectively. The last significant decrease was in 1984 when assessed value dropped by 3.6 percent. In addition to levy amount changes, as AV falls, tax rates rise. Consequently, from 2009 - 2012, the total property tax rate from all jurisdictions paid by Seattle property owners increased from \$7.97 to \$10.16 per thousand dollars of AV. For an owner of a home with an AV of \$438,959 (the average AV for residences in Seattle), the 2012 tax obligation was approximately \$4,412. This compares to a 2011 obligation of approximately \$4,380. The City of Seattle's total 2012 tax rate was roughly one-third of the total rate at \$3.28, which results in an annual tax obligation of approximately \$1,422 for the average valued home. The obligation amount in 2011 was approximately \$1,387.

## Revenue Overview

Figure 9 illustrates the components of the City's 2012 property tax: the non-voted General Purpose levy (60%); the six voter-approved levies for specific purposes (35.4%), known as lid lifts because the voters authorize taxation above the statutory lid or limit; and the levy to pay debt service on voter-approved bonds (4.5%). The City's nine-year transportation lid lift will generate approximately \$40.3 million in 2012, \$41.8 million in 2013 and \$42.5 million in 2014. These revenues are accounted for in the Transportation Fund and are discussed later in this section. In August 2012, voters approved one new property tax measure (lid lift) in support of the Seattle Public Library system to begin collections in 2013. This measure will levy for collection in 2013 \$17,000,000 and \$122.6 million overall over 7 years.

**Statutory growth limits and new construction.** The annual growth in property tax revenue is restricted by state statute in two ways. First, state law limits growth in the amount of tax revenue a jurisdiction can collect, currently 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. Second, 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 tax rate has been well below this cap for many years.

**New Construction** - In addition to the allowed maximum 1% revenue 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 2013-14 Proposed Budget assumes 1% growth plus new construction.** Between 1999 and 2010 annual new construction revenues exceeded \$2 million, with rapid increases between 2005 (\$2.9 million) and 2008 (\$6.64 million). New construction revenue for the 2009 tax collection year remained high at \$6.38 million, before succumbing to economic realities and falling 35 percent in 2010 to \$4.11 million. Assessed new construction value in Seattle fell an additional 61 percent between 2010 and 2011, with 2011 revenue falling to \$1.95 million -- below the \$2 million floor for the first time since 1998. The 2012 Adopted forecast for 2012 reflects further low levels of new construction activity with revenue decreasing to \$1.77 million. This amount is revised upward in the 2013 Proposed Budget to \$2.0 million due to an increase in expected new construction value being placed on the tax rolls. Growth of 13.6% in the base value of new construction is projected for 2013 and 2.5% in 2014, leading to revenues of \$2.54 million in 2013 and \$2.64 million in 2014.

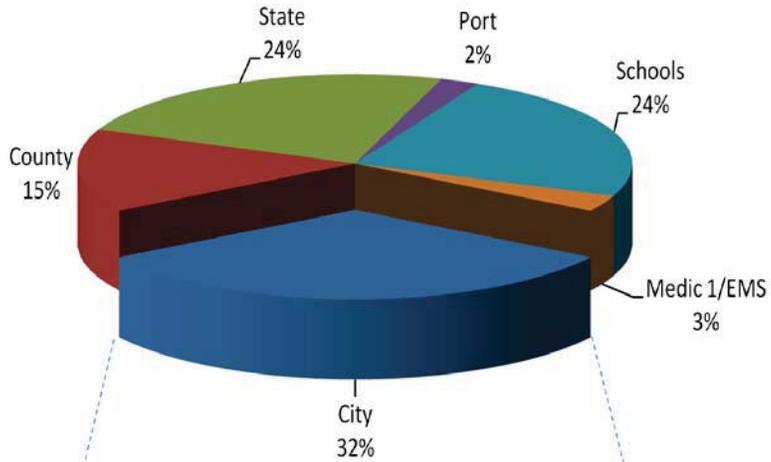
The forecast for the General Subfund (General Purpose) portion of the City's property tax is \$224.4 million in 2012, \$226.3 million in 2013 and \$230.8 million in 2014.

**Medic 1/Emergency Medical Services.** In November 2007, King County voters approved a six-year renewal (2008-2013) of the Medic 1/EMS levy. The approved starting rate was \$0.30 per thousand dollars of assessed value, and the rate had begun to decline in 2009 as assessed valuation increased. In 2010, however, assessed valuations of property in King County began to decline (-11.6 percent), driving the Medic 1/EMS tax rate back to its authorized limit of \$0.30 per thousand dollars of assessed value. Assessed values decreased further in 2011 (-3.4 percent), and further still in 2012 (-3.3%), leading Seattle's Medic 1/EMS revenues to decrease by 3.0 percent in 2011, and 2.13 percent in 2012. This decline is projected to continue into 2013 with revenues decreasing in excess of 1 percent to \$34.2 million. The 2014 Endorsed Budget assumes the Medic 1/EMS Advisory Task Force's recommended \$695 million 6-year levy proposal will be approved by the King County Executive and Council and renewed by voters in 2013. This proposal is projected to generate \$39.2 million in 2014.

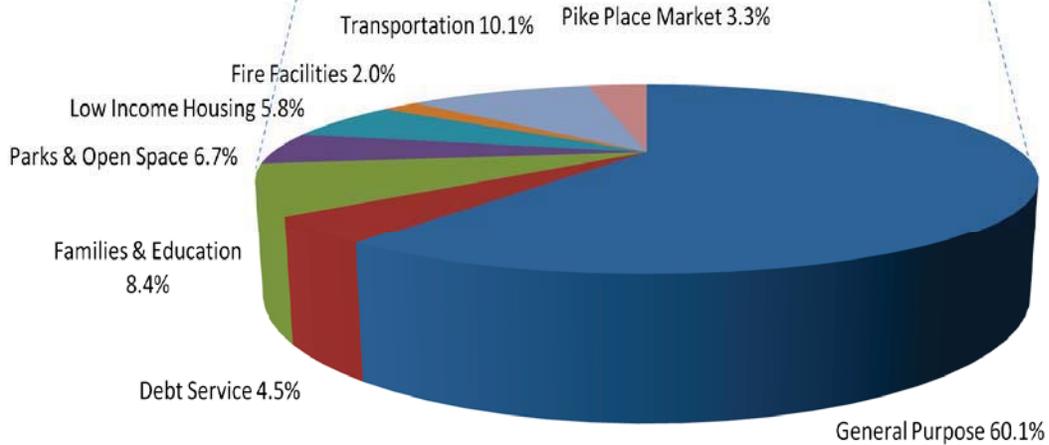
# Revenue Overview

Figure 12.

**Components of Total Property Tax Levy for 2012**  
(tax rate = \$10.16 per \$1,000 assessed value)



**Components of City's Property Tax Levy for 2012**  
(tax rate = \$3.28 per \$1,000 assessed value)



# Revenue Overview

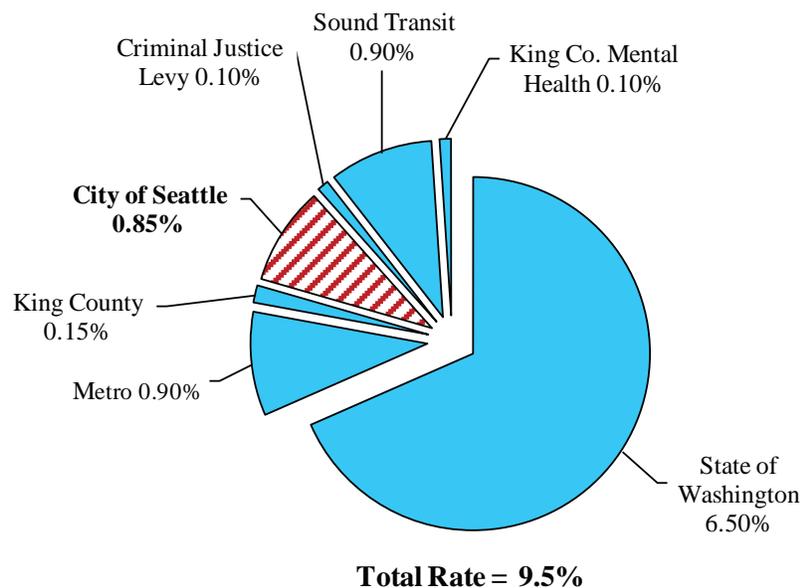
## Retail Sales and Use Tax

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

The sales tax rate in Seattle is 9.5% for all taxable transactions. Prior to October 1, 2011, the sales tax rate in Seattle had included an additional 0.5% tax on the sale of food and beverages in restaurants, taverns, and bars. This tax was imposed throughout King County in January 1996 to help pay for the construction of a new professional baseball stadium in Seattle. The tax expired because the stadium construction bonds have been paid off.

The basic sales tax rate of 9.5% is a composite of separate rates for several jurisdictions as shown in Figure 13. The City of Seattle's portion of the overall rate is 0.85%. In addition, Seattle receives a share of the revenue collected by the King County Criminal Justice Levy.

**Figure 13. Sales and Use Tax Rates in Seattle, 2012**



**Washington State implemented destination based sales taxation on July 1, 2008.** On July 1, 2008, Washington brought its sales tax procedures into conformance with the Streamlined Sales and Use Tax Agreement (SSUTA), a cooperative effort of 44 states, the District of Columbia, local governments, and the business community, to develop a uniform set of procedures for sales tax collection and administration that can be implemented by all states. Conformance with SSUTA has had two major impacts on local government sales tax revenue.

- Over 1,000 remote sellers agreed to begin collecting taxes on remote sales made to customers in Washington once the state was in conformance with SSUTA. This has increased both state and local sales tax revenue.
- When a retail sale involves a delivery to a customer, SSUTA requires that the sales tax be paid to the jurisdiction in which the delivery is made. This is called destination based sourcing. Prior to 2008, Washington used origin based sourcing, i.e., allocating the sales tax to the jurisdiction from which the delivery was made. The change from origin based sourcing to destination based sourcing has resulted in a reallocation of sales tax revenue among local jurisdictions

## Revenue Overview

As a result of the changes the state made to comply with SSUTA, Seattle has seen a modest increase in its sales tax revenue according to estimates by the Washington Department of Revenue.

***Sales tax revenue has grown and contracted with the region's economy.*** Seattle's sales tax base grew rapidly in the late 1990s, driven by a strong national economy, expansion at Boeing in 1996-97, and the stock market and technology booms. Growth began to slow in 2000, when the stock market bubble burst and technology firms began to falter. The slowdown continued into 2001 and 2002, and the year-over-year change in revenue was negative for ten consecutive quarters beginning with first quarter 2001. The economy began to recover in 2004, which was followed by three very strong years (2005-07), during which taxable sales grew at an average annual rate of 9.8%, led by construction's 21.0% growth rate.

With the onset of the national recession, growth began to slow in the first quarter of 2008, continued slowing in the second and third quarters, and then collapsed in the fourth quarter as the financial crisis reached its peak. Seattle's real (inflation adjusted) sales tax base declined by 8.6% in the fourth quarter of 2008, a rate of decline unprecedented during the previous 35 years. The decline continued at a more moderate pace until the fourth quarter of 2009, by which time the tax base had declined by 20.8% in real terms (the nominal peak-to-trough decline was 18.2%).

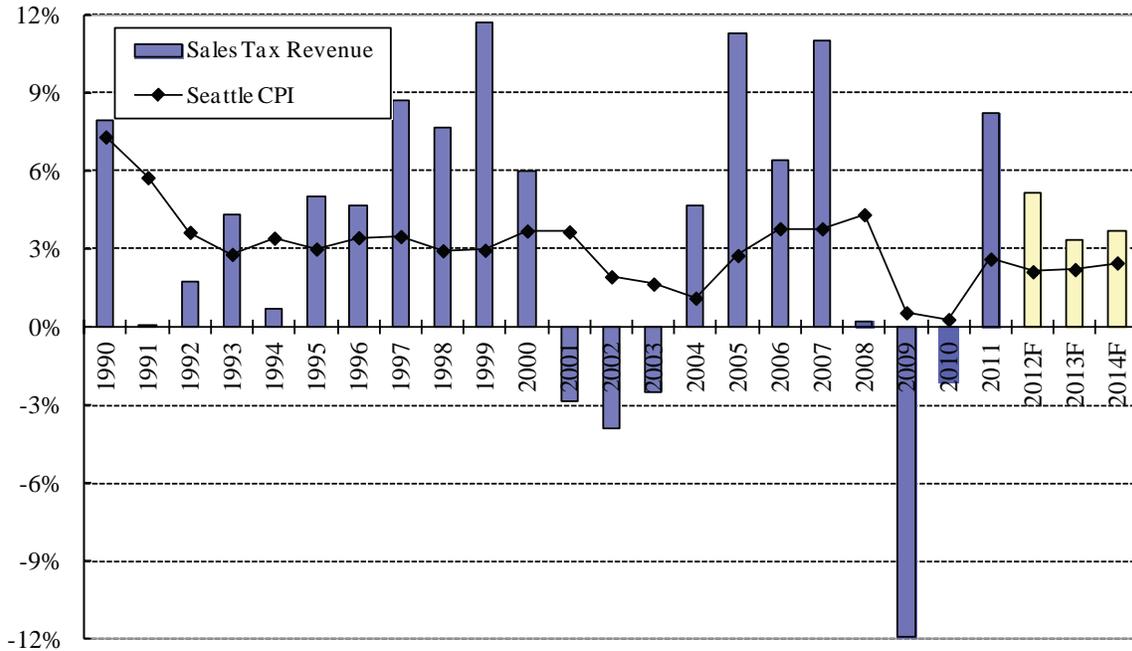
Construction, which led the pre-recession build-up in the sales tax base, also led the decline. During the four year period 2004 Q1 – 2008 Q1, taxable sales for construction more than doubled (112.2% increase). The following three years erased 79 percent of that increase. Other industries posting the steep declines in taxable sales during the recession were manufacturing, finance and insurance, and building materials & garden supplies. After hitting bottom in the fourth quarter of 2009, Seattle's sales tax base has grown by 13.4% (through 2012 Q1), leaving it 7.2% below its 2008 Q3 peak. Industries leading the upturn include construction, motor vehicle & parts retailing, manufacturing, professional and business services, and accommodations. Construction did not hit bottom until the second quarter of 2011. However, over the following three quarters taxable sales from construction have increased by 34.5%.

In 2011 sales tax revenue was boosted by the state's amnesty program, which was in effect between February 1 and April 30. The program offered taxpayers a temporary tax amnesty that waived penalty and interest payments on certain unpaid business taxes, including the sales tax. The amnesty program generated an estimated \$2.6 million in additional sales tax revenue as well as approximately \$250,000 in criminal justice sales tax receipts for the City.

***Retail sales tax revenue growth is forecast to slow after peaking in 2011.*** Following a 6.6% gain in 2011, the City's sales tax base is expected to expand by 6.8% in 2012. After these two relatively strong years, tax base growth is expected to slow, as the construction build-up levels off. Growth rates over the next several years are forecast to drop into the 3.5% - 4.5% range, which is well below the growth rates typically achieved during a recovery. Growth in 2013 will be dampened somewhat by expected impact of the fiscal cliff. The additional \$2.6 million from the state's tax amnesty program helped to boost the 2011 revenue growth rate to 8.2%. In 2012 revenue growth is forecast to slow to 5.1%, reflecting a fall back from the amnesty inflated 2011 level.

# Revenue Overview

Figure 14. Annual Growth of Retail Sales Tax Revenue



Note: All revenue figures reflect current accrual methods. 2012-14 are forecasts.

## Business and Occupation Tax

Prior to January 1, 2008, the Business and Occupation (B&O) tax was levied by the City on the gross receipts of most business activity occurring in Seattle. Under some conditions, gross receipts of Seattle businesses were excluded from the tax if the receipts were earned from providing products or services outside of Seattle.

On January 1, 2008, new state mandated procedures for the allocation and apportionment of B&O income took effect. These procedures were expected to reduce Seattle’s B&O tax revenue by \$22.3 million in 2008. On January 1, 2008, the City imposed a square footage business tax to recoup the \$22.3 million by taxing a portion of the floor area of businesses that received a tax reduction as a result of the new allocation and apportionment procedures. The new tax was structured so that no business would pay more under the new combined gross receipts and square footage business tax than it did under the pre-2008 gross receipts B&O tax.

The City levies the gross receipts portion of the B&O tax at different rates on different types of business activity, as indicated in Figure 19 at the end of this section. Most business activity, including manufacturing, retailing, wholesaling, and printing and publishing, is subject to a tax of 0.215% on gross receipts. Services and transporting freight for hire are taxed at a rate of 0.415%. The square footage business tax also has two tax rates. In 2012, the rate for business floor space, which includes office, retail, and production space, is 42 cents per square foot per quarter. Other floor space, which includes warehouse, dining, and exercise space, is taxed at a rate of 14 cents per square foot per quarter. The floor area tax rates are adjusted annually for inflation. The B&O tax has a small business threshold of \$100,000; i.e., businesses with taxable gross receipts below \$100,000 are exempt from the tax.

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, is less reliant on the construction and retail trade sectors, and is more dependent upon the service sector (most services are not subject to the sales tax).

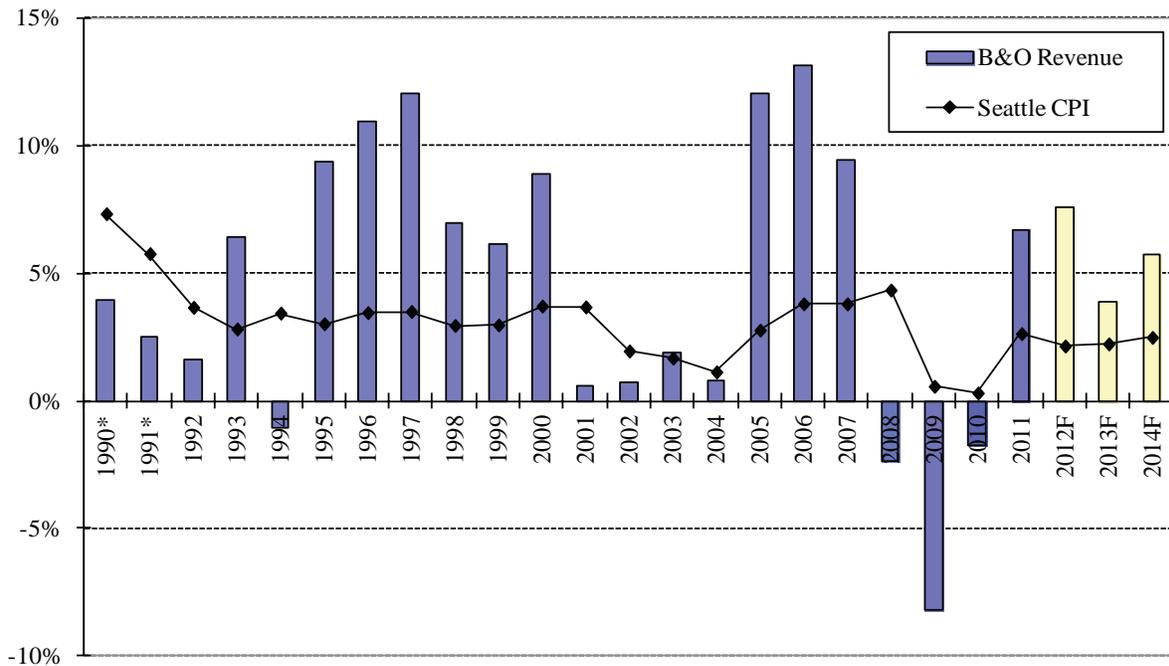
# Revenue Overview

Included in the forecast of B&O tax revenue are projections of tax refund and audit payments, and estimates of penalty and interest payments for past-due tax obligations.

**B&O revenue has not fully recovered from the 2007-09 recession.** In 1995, the City initiated an effort to administer the B&O tax more efficiently, educate taxpayers, and enforce tax regulations. This resulted in unlicensed businesses being added to the tax rolls, businesses reporting their taxable income more accurately, and a significant increase in audit and delinquency collections – all of which helped to increase B&O receipts beginning in 1996. In 2000, B&O revenue was boosted by changes the state of Washington made in the way it taxes financial institutions. These changes affected the local tax liabilities of financial institutions.

Since the mid-1990s, B&O receipts have been subject to strong ups-and-downs, rising rapidly during the late-1990s stock market & dot-com bubble and the housing bubble of the mid-2000s, but falling sharply during the two major recessions of the last decade. When the region’s economy slipped into recession in early 2001, B&O revenue growth slowed abruptly, and remained below 2% for four successive years (see Figure 15). Revenue growth then accelerated sharply in 2005 and averaged 11.5% over the three year period 2005-07. The upswing was led by strong growth in construction, professional, scientific & technical services, health services, and finance & insurance. The upturn ended abruptly in 2008, which started out with a healthy 8.3% year-over-year increase in revenue from current economic activity in the first quarter, and ended with a 7.0% year-over-year decline in the fourth quarter. For the year, revenue was down 2.3% from 2007 levels, but 2009 saw the full force of the recession with an 8.2% drop from 2008. The decline was broad based with no industry untouched, but construction, manufacturing, wholesale trade, and finance & insurance were particularly hard hit.

**Figure 15. Annual Growth of B&O Tax Revenue**



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

Note: Revenue figures reflect current accrual methods; 2012-14 are forecasts.

Figures include both gross receipts and square footage tax revenue.

The B&O tax base stopped contracting in the second quarter of 2012, after losing 16.8% of its value. Since then the tax base has experienced a healthy rebound, increasing by 13.7% over the seven quarters to 2012 Q1, but it is still 5.4% below its 2008 Q1 peak. Leading the rebound have been construction, wholesale trade, finance & insurance, and business & professional services. The bounce-back in health services has been modest, with growth during the past two years running well below historic levels.

## Revenue Overview

Following three years of decline, B&O tax revenue increased by 6.7% in 2011. Growth fell short of the 7.7% increase in the tax base because of a drop in revenue from non-current activity, which includes revenue from audit activity, refund payments, and penalty & interest revenue. 2011 was a record year for refunds.

**B&O revenue forecast anticipates modest growth will continue.** The B&O revenue forecast reflects the expectation that the U.S. economy will slowly improve, but that the recovery will remain relatively weak. Growth in 2012 is boosted by a significant gain in revenue from audit activity (note that this reduces the growth rate for 2013). The forecast for 2013 incorporates an expected revenue gain from the addition of two license and standards inspectors to the Regulatory and Enforcement Unit of the Department of Finance and Administrative Services.

### 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.

**Cold weather leads to increases in natural gas tax revenues, while prices remain low.** The City levies a 6% utility business tax on gross sales of natural gas. The bulk of revenue from this 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. Natural gas prices have been relatively stable of late after reaching a high of \$13 per million British Thermal Units (BTUs) in July 2008. Prices averaged \$3.8/mBTU for 2011 and are expected to average less than \$2.3/mBTU through 2012. Independent of weather, these low prices would yield lower tax revenues. The cold weather in the Puget Sound region for 2011 and to a lesser extent 2012 has propped up receipts.

**Telecommunications industry continues to change.** The utility business tax is levied on the gross income of telecommunication firms at a rate of 6%. After extraordinary growth over several consecutive years in the late 1990s, telecommunication tax revenue growth halted completely in 2002, and began declining in the fourth quarter of that year. A variety of forces – the lackluster economy, industry restructuring, and heightened competition – all served to force prices downward and reduce gross revenues. Additionally, recent technological changes, particularly Voice-over Internet Protocol (VoIP), which enables local and long-distance calling through broadband Internet connections, contribute to the uncertainties in this revenue stream.

All sectors of the industry have been affected to varying degrees by the recession as well as changes in consumer habits. Wireless revenues have been a source of growth as more and more consumers shift to cellular phones as their primary voice option. This growth has come at the expense of traditional telecom providers, from whom the City has seen steady declines in tax receipts. The recent proliferation of smartphones has been a double-edged sword for the City's tax base. While new smartphone users have added to the wireless tax revenue base, the increased use of data and Internet services which are not taxable have caused unexpected 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 will continue to see tax revenue declines. 2011 revenue growth was negative over 2010 (-10.7%) because of artificially high receipts from audit payments and as a result of some wireless companies changing their revenue accounting practices to reflect the increased use of non-taxable data services. These accounting practices continue to evolve, leading to another expectation for negative growth in 2012 of -3.6%. 2013 and 2014 are expected to grow only mildly; 2.3% and 2.8% respectively.

**Cable tax revenues show positive growth.** The City has franchise agreements with cable television companies operating in Seattle. Under the current agreements, the City levies a 10% utility tax on the gross subscriber revenues of cable TV operators, which accounts for about 90% of the operators' total revenue. The City also collects B&O taxes on miscellaneous revenues not subject to the utility tax. The imposition of a 4.2% franchise fee

## Revenue Overview

makes funds available for cable-related public access purposes. This franchise fee, which is deposited in the City's Cable TV Franchise Fee Subfund, increased from 3.5% in June 2006.

Cable revenues have been growing, but with increased competition from satellite and internet television providers, there is a cause for caution. Average annual growth for the 2012 – 2014 period is expected to be 2.6%, just above inflation.

### Utility Business Tax - Public Utilities

The City levies a tax on most revenue from retail sales collected by City-owned utilities (Seattle City Light and Seattle Public Utilities). Tax rates range from a State-capped 6% on City Light up to a current 15.54% on the City Water Utility. There are no planned tax rate changes; therefore the revenues from the utilities are projected to remain fairly stable, with the exception of those utilities with changes in rate structure.

**Rate changes expected in 2012.** 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. Due to severe declines in natural gas prices in 2009, and lower than anticipated water levels in 2010, City Light experienced some financial turmoil. For the 2010 fiscal year, the City Council authorized the creation of a rate stabilization fund for the utility. This required an initial 4.5% surcharge that took effect in May of 2010 and then was deactivated in January of 2011. Retail rates for 2013 and 2014 are expected to increase by 4.4% and 5.6% respectively. The rate stabilization surcharge is not anticipated for this biennium. Tax revenues that accrue to the General Subfund will have annual increases of 3.5% and 6.1% in 2013 and 2014, respectively.

**Water retail rate increases for 2013 and 2014.** A retail rate increase of 8.7% was approved for 2012 and SPU is planning water retail rate increases of 8.7% and 8.5% for 2013 and 2014 respectively. These rate increases have already been adopted by Council. This will lead to tax revenue growth rates of 6.4% in 2013 and 8.0% in 2014.

**Drainage and Wastewater rate increases mean higher tax revenue growth.** Wastewater utility rates increased by 4.1% in 2011 and by 4.2% in 2012. Rates are expected to increase by 9.3% in 2013 which incorporates a pass through from King County water treatment rates. Drainage rates are expected to increase by 7.6% in 2013 and by 10.1% in 2014. Tax receipts from these two utilities will grow by 7.6% and 1.9% in 2013 and 2014, respectively.

**Higher Solid Waste rates mean higher tax revenue growth.** The utility tax rate on both City of Seattle and commercial solid waste service is currently 11.5%. The Solid Waste Utility for the 2013 and 2014 Proposed Budget is assuming rate increases of 4.6% and 2.2% in 2013 and 2014, respectively. These increases, along with increased economic activity, will lead to tax revenue growth rates of 4.9% and 2.4% in the same years.

### 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.

Admissions tax receipts have been stable and not severely affected by the economy. There have been some changes to the tax base and to the uses of the tax proceeds. 20% of admissions tax revenues, excluding men's professional basketball, were dedicated to programs supported by the Office of Arts and Cultural Affairs (OACA). For 2010, the Mayor and Council agreed to increase this contribution to 75% based on the actual admission tax receipts from two years prior. As a result, OACA is fully funded by the admissions tax, except for money received from the 1% for Arts program. The forecasts in Figure 7 for admissions taxes reflect the full amount of tax revenue. The Office of Arts and Cultural Affairs section of this document provides further detail on the Office's use of Arts Account revenue from the admission tax and the implementation of this change.

## Revenue Overview

A notable change for 2012 is the temporary closure of Husky Stadium for the University of Washington's football season. During the 2012 season the Huskies will play at Century Link Field. Under normal circumstances the City would not be able to collect admissions tax from events at Century Link because those revenues are used to pay down the debt on that facility. In the 2012 legislative session though, the Washington State Legislature removed this impediment and will allow the City to collect ad-tax on Husky games played at Century Link. This restores around \$900,000 in revenue. Average annual revenue growth in ad-tax over the 2012 – 2014 period is expected to be 3.2%.

### Parking Meters/Traffic Permits

In spring 2004, the City of Seattle began replacing traditional parking meters with pay stations in various areas throughout the City. Pay stations are parking payment devices offering the public more convenient payment options, including credit cards and debit cards, for hourly on-street parking. Pay station technology also allows the City to adopt different pricing, time limit and other management parameters on different blocks throughout the city. In the same period, the City has increased the total number of parking spaces in the street right-of-way that are subject to fees and collected more data to measure occupancy, turn over and other characteristics of on-street parking. Now with around 2,200 pay stations controlling approximately 12,500 parking spaces, the overall objective of the program is to provide a more data-driven, outcome based management and price setting approach in pursuit of the expressed policy goals of 1 to 2 open spaces per block-face, reduced congestion, support of business districts and as a by-product reduced vehicle emissions and improved air quality.

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

The 2011 Adopted Budget included a further increase in the maximum allowable hourly rate from \$2.50 to \$4.00 per hour and an extension of paid evening parking hours from 6 p.m. to 8 p.m. in 7 neighborhoods with high evening use rates. As implemented in 2011, based on measured occupancy throughout the day, SDOT moved from the 3 tiered rate approach to more finely adapted rates by individual neighborhood. Between January and March 2011, on-street parking rates were increased in 4 neighborhoods and decreased in 11 neighborhoods relative to the 2011 Adopted Budget assumptions. The 2012 Adopted Budget went further, redefining the boundaries of parking areas as needed to set rates by neighborhood and where appropriate by sub-neighborhood areas according to occupancy data. It also adopted changes to time limits (from 2 to 4 hours) in 8 neighborhoods and sub-areas. The 2013-14 Proposed Budget does not make further rate, boundary and time limit changes, but assumes full implementation of the pay-by-phone payment program.

The Department of Transportation's budget section provides further details of the 2012 Adopted and Proposed 2013-14 changes to the parking management program. Each of the prescribed rate changes implemented in 2011 and 2012, as well as extending evening paid parking hours from 6 p.m. to 8 p.m. or increasing time limits from 2 to 4 hours have affected on-street parking revenues. Simultaneously, beginning in October 2011, construction activity related to the Alaskan Way Viaduct replacement project began eliminating several blocks of on-street parking in the Pioneer Square area. Reconfiguration of the Mercer St. corridor and other road construction projects similarly will continue to reduce available on-street parking in effected neighborhoods. Altogether, these changes and effects, including general improvement in demand, are projected to increase 2012 revised revenues to \$33.1 million, or approximately \$1 million above the 2012 Adopted projection. Proposed 2013-14 revenues grow at 1.2% and 1.8% respectively to \$33.5 million in 2013 and \$34.1 million in 2014.

*Street Use and Traffic Permits.* At \$2.33 million, revenues for 2011 reversed a downward trend and ended 23.3 percent higher than 2010 actual revenues of \$1.83 million for traffic-related permit fees, such as meter hood

## Revenue Overview

service, commercial vehicle load zone, truck overload, gross weight and other permits. This increase is in response to increased economic activity, primarily construction activity, requiring permits. The 2013-14 Proposed Budget assumes growth in construction activity requiring street use permits slows to stable levels while demand for meter hoods increases slightly, resulting in no significant growth in revenues across the biennium. Total revenues for this category are projected to be \$2.36 million in 2013 and 2014.

### Court Fines

Historically, between 70% and 85% of fine and forfeiture revenues collected by the Seattle Municipal Court are from parking citations and fines resulting from enforcement efforts by Seattle Police Department parking enforcement and traffic officers. An additional 8% to 10% comes from traffic tickets. Trends indicated decreases in parking citation volume through 2006. This was in part due to enforcement and compliance changes stemming from the parking pay station technology. However, beginning in 2007 citation volume increased, in part due to changes in enforcement technology and strategies, but also to the addition of three Parking Enforcement Officers (PEOs) authorized as part of the South Lake Union parking pay station extension (described above in the Parking Meter section).

Demand for parking enforcement has also grown with changes in neighborhood development, parking design changes and enforcement programs in other parts of the City. The City has established several new Restricted Parking Zones (RPZs), especially around the new light-rail train stations through the Rainier Valley. In response, an additional 8 new PEOs were authorized in 2009, 7 in 2010, and 4 in 2011. Two of the four PEOs in 2011 were dedicated to enforcement activities related to the City's scofflaw boot program, which began July 5, 2011. The boot program utilizes mobile license plate recognition cameras and an immobilizing boot device that is attached to scofflaw vehicles, or those with 4 or more outstanding parking citations in collections.

An additional 8 PEOs are proposed for 2013 to compensate for the additional time anticipated to be required to enforce compliance under the Seattle Department of Transportation's new pay-by-phone (PBP) program (described above in the Parking Meter section and in the Seattle Police Department and Transportation Department sections). The PBP program, allows the public to pay for parking with their cell phones or other mobile device. Absent an issued pay sticker, PBP will require PEOs to verify payment compliance for all vehicles without a pay sticker with their handheld ticketing devices (HHTs) via a wireless connection to a database on a central server. It is estimated that this additional enforcement step will add 30 seconds on average per checked vehicle to current enforcement practice, given the existing HHTs currently in use by Seattle's PEO force. This reduction in efficiency, is estimated to reduce parking citation revenues by approximately \$1.2 million in 2013. This loss is reduced to \$845,000 in 2014 due to counter influences of increased adoption by users of PBP and the proposed acquisition of new HHT devices, which is expected to reduce the connectivity verification time to an average of about 10 seconds per checked vehicle.

In 2009, the City received \$27.2 million in court fines and forfeitures, including \$4.7 million from the expanded red light camera enforcement program, which grew from 6 camera locations to 18 in the last quarter of 2008 and to nearly 30 total locations in early 2009. Revenues in 2010 were \$29.8 million with approximately \$4.8 million from red light camera enforcement. Revenues in 2011 were \$31.4 million with \$4.53 million from red light cameras. The 2012 Adopted Budget assumed addition of 6 more camera locations and 4 school zone camera locations. Installation of the red light cameras was delayed relative to Adopted Budget assumptions and 2012 revised revenues are reduced from \$700,000 to \$216,000. Overall citation volume for red light cameras is down in 2012, reducing estimated 2012 revenues to \$3.9 million. Total revised 2012 Fines and Forfeitures revenue is reduced to \$32.26 million from the 2012 Adopted Budget's \$36.1 million. Total Fines and Forfeitures revenues are projected to be \$33.7 million in 2013 and \$34.7 million in 2014.

### Interest Income

Through investment of the City's cash pool in accordance with state law and the City's own financial policies, the General Subfund receives interest and investment earnings on cash balances attributable to several of the City's

## Revenue Overview

funds or subfunds that are affiliated with general government activities. Many other City funds are independent, retaining their own interest and investment earnings. Interest and investment income to the General Subfund varies widely, subject to significant fluctuations in cash balances and changes in earnings rates dictated by economic and financial market conditions.

As a result of the financial crisis in 2008, borrowing rates have fallen precipitously across the board. These rates have remained low in 2009-2012 and the Federal Reserve has committed to keeping interest rates low through 2014. Expectations for earnings rates and uncertainty over institutional response to economic and financial conditions have led the City to move its investment portfolio into increasingly shorter-term securities, as previously held securities matured. The annual yield for 2013 and 2014 is expected to be 0.94% and 1.25% respectively. Current estimates for General Subfund interest and investment earnings are \$1.9 million in 2013, and \$2.5 million in 2014.

### Revenue from Other Public Entities

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

***The State's budget leads to small declines in Criminal Justice revenues.*** 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. For the 2012 and 2013 state budgets, these distributions were cut by 3.4% in each year, leading to small declines in the revenue stream for Seattle.

***State budget removes some revenues, but an initiative will lead to increased liquor revenues.*** In recent years the City's share of Liquor Board profits has stabilized to around \$4 million a year. These are funds recorded as net income for the liquor board in its operation of liquor sales in the State of Washington. 40% of these funds are distributed quarterly to cities and towns on the basis of population. Liquor excise taxes, which are levied on the sale of liquor, have stabilized to providing Seattle almost \$3.0 million a year. In the 2012-2013 State Budget, the distributions were cut by 3.4% which led to small declines in these state shared revenues. The 2012 State budget further removed some liquor distributions to cities for FY 2013. An initiative passed in November of 2011 has led to the sale of all state liquor stores and allowed for new entrants into the market. These new entrants and higher taxes will lead to increases in liquor related revenue to the City. Liquor related revenues will be \$6.4 million in 2013 and then rise to \$7.5 million in 2014. Additionally, the sale of state liquor stores led to a one-time distribution of \$1.3 million to Seattle in 2012 for an expected total of \$7.7 million.

### Service Charges and Reimbursements

***Internal service charges reflect current administrative structure.*** In 1993, the City Council adopted a resolution directing the City to allocate a portion of central service expenses of the General Subfund to City utilities and certain other departments not supported by the General Subfund. The intent is to allocate a fair share of the costs of centralized general government services to the budgets of departments supported by revenues that are largely self-determined. These allocations are executed in the form of payments to the General Subfund from these independently supported departments. The former Department of Executive Administration (DEA) has merged with the former Fleets & Facilities Department (FFD) into the Department of Finance and Administrative Services (FAS). This means that central service charges that accrued to the General subfund to support the former DEA's work now go directly to FAS's operating fund. More details about these cost allocations and methods are detailed in the Cost Allocation section of this budget.

# Revenue Overview

## Interfund Transfers

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

In ratifying the 2012 Budget, it is the intent of the City Council and the Mayor to authorize the transfer of unencumbered, unreserved fund balances from the funds listed in the General Subfund revenue table to the General Subfund.

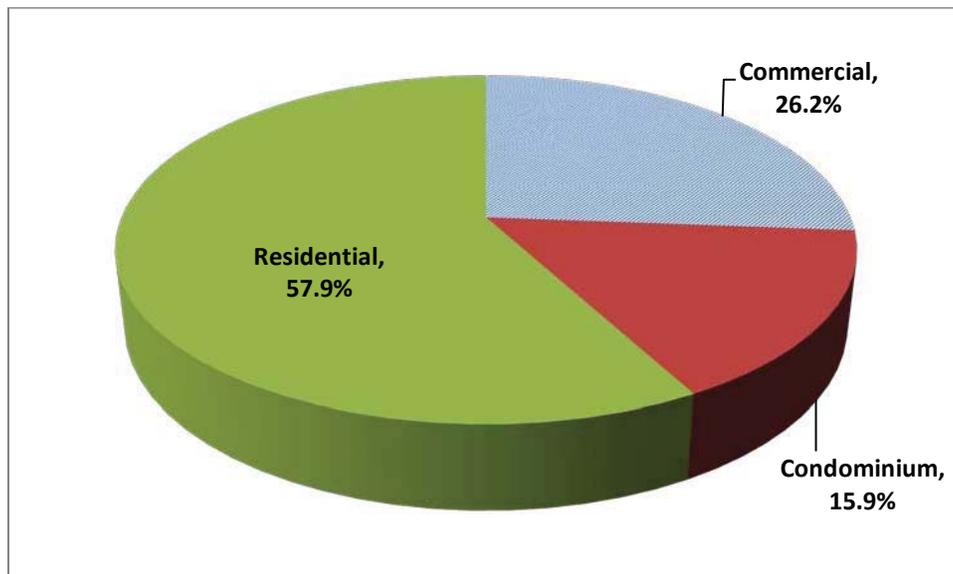
## Cumulative Reserve Subfund – Real Estate Excise Tax

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

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

Over time, 57.9% of the City’s REET tax base has come from the sale of residential properties, which include single-family homes, duplexes, and triplexes. Commercial sales, which include apartments with four units or more, account for 26.2% of the tax base, and condominiums constitute the remaining 15.9% (see Figure 16).

**Figure 16. Value of Seattle Real Estate Transactions by Property Type, 1982 - 2011**



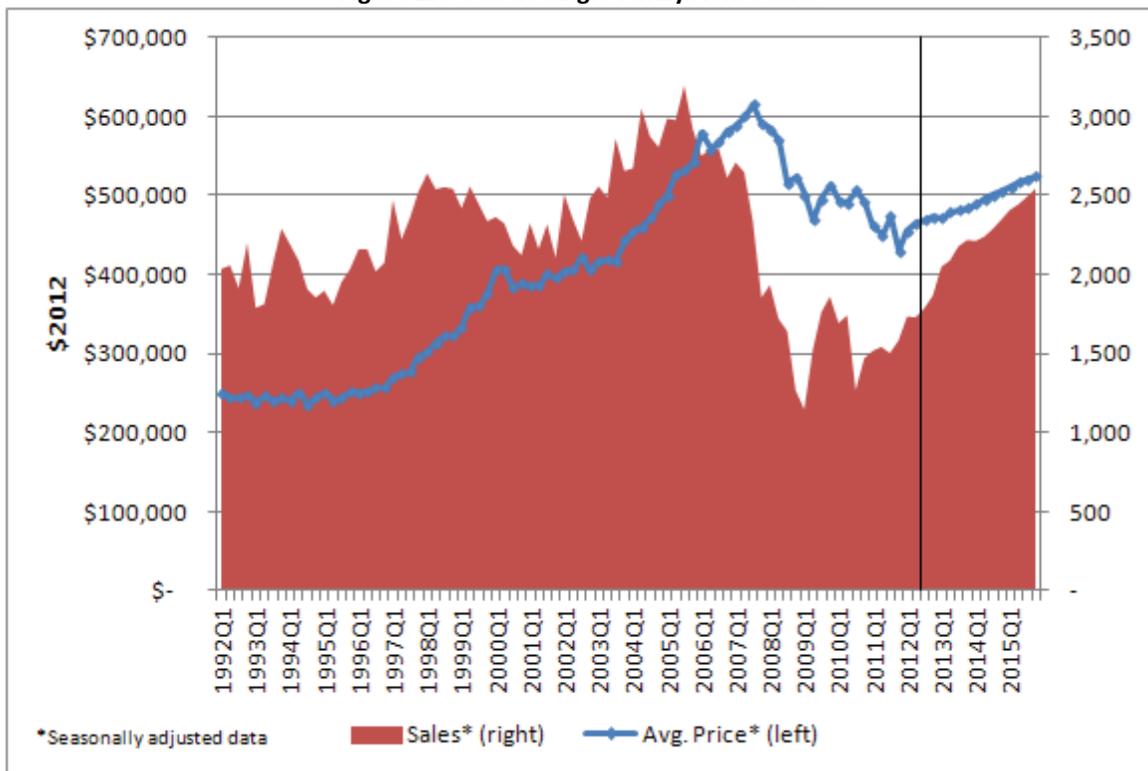
**Commercial sales are rebounding.** The value of Seattle real estate transactions (the REET tax base) increased at an average annual rate of 13.1% between 1982 and 2007, a period when Seattle area inflation averaged only 3.4% per year. Growth was particularly strong during the recent boom years, fuelled 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

## Revenue Overview

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. 2010 saw small growth of 3.7% over 2009. 2011 had improved numbers especially in the commercial market with a number of large downtown office buildings changing hands. This provided 27.4% growth in REET over 2010. The commercial market has continued to expand in 2012, with sector growth expected to be 36.8% over 2011 with total REET growing by 25.1%. 2013 is expected to moderately grow from 2012 with around 5.0% growth in sales, followed by 15.6% in 2014 as the residential market picks back up.

The volatility of REET is reflected by the fact that despite a 9.6% average annual growth rate, the REET tax base declined in nine years during the period 1982 – 2011. This volatility is largely the result of changes in sales volumes, which are sensitive to shifts in economic conditions and movements in interest rates; average prices tend to be more stable over time. That price stability was severely compromised in the downturn as Seattle area prices for residential properties fell 31.0% from their peak, according to the Case/Shiller Home Price Index. Commercial activity tends to be more volatile than the residential market, in part because the sale of a handful of expensive properties can result in significant swings in the value of commercial sales from one year to the next, as was seen in 2007 and more recently in 2011 and 2012.

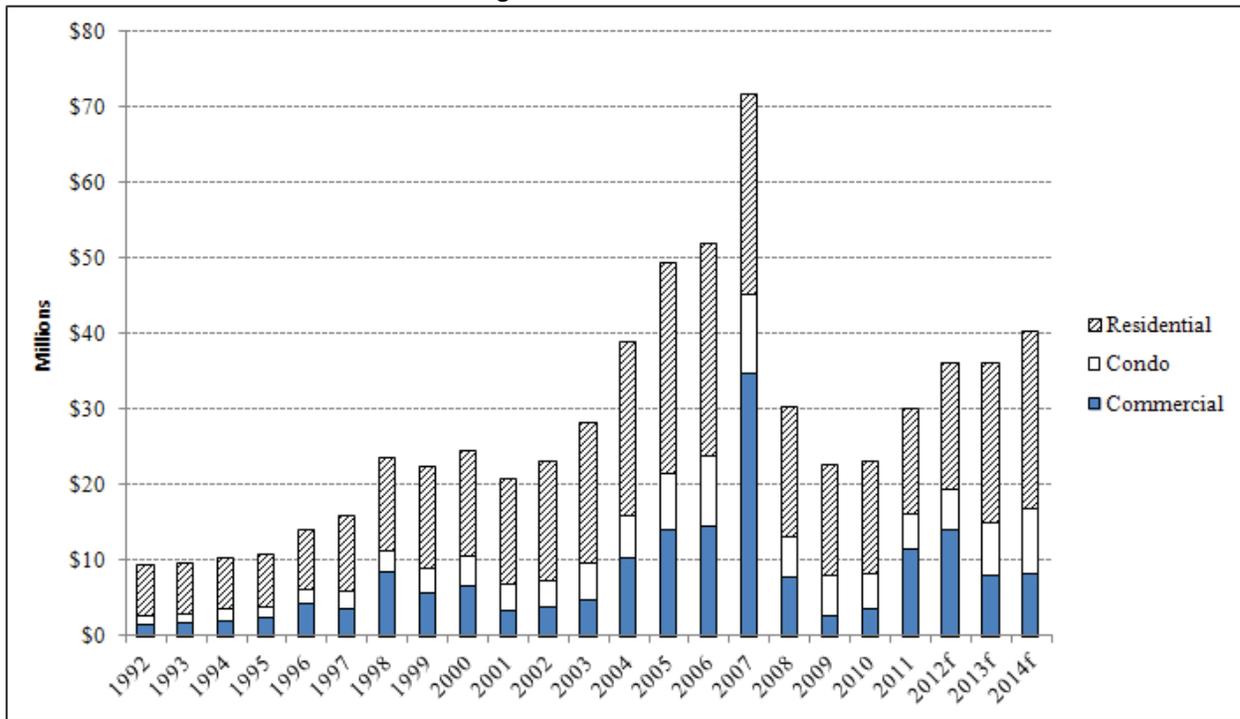
**Figure 17. Seattle Single-family Home Sales**



**REET revenue from the residential market will grow over the next biennium.** It appears that Seattle home sales hit bottom in the early part of 2009, and prices reached their lowest point at the end of 2011 (see Figure 17). There was a brief uptick in home sales during the last half of 2009 through the first half of 2010. This was a direct result of the new homebuyer tax credits which incentivized home purchases. Once this credit expired, sales fell back to previous levels. Single-family home prices in Seattle are expected to slowly increase through 2014, expected to average 3.4% year-over-year. The condo market has also stagnated during the downturn and is not expected to move much over the next few years. Any volatility in the REET revenue stream will be due to fluctuations in the commercial property market.

# Revenue Overview

Figure 18. REET Revenues



## Transportation Fund – Bridging the Gap Revenue Sources

The Transportation Fund is the primary operating fund whose resources support the management, maintenance, design, and construction of the City’s transportation infrastructure. The fund receives revenues and resources from a variety of sources: General Subfund transfers, distributions from the State’s Motor Vehicle Fuel tax, state and federal grants, service charges, user fees, bond proceeds, and several other sources more fully presented in the Transportation Department section of this budget document. In September 2006, the City and the voters of Seattle approved the nine-year Phase One of the 20-year Bridging the Gap program aimed at overcoming the City’s maintenance backlog and making improvements to the bicycle, pedestrian, bridge, and roadway infrastructure. The foundation of the program was establishing three additional revenue sources: a levy lid lift (Ordinance 122232), a commercial parking tax (Ordinance 122192), and a business transportation, or employee hours tax (Ordinance 122191).

The transportation lid lift is a nine-year levy authorized under RCW 84.55.050 to be collected from 2007 through 2015. The lid lift provides a stable revenue stream that raised \$40.3 million in 2011 and is projected to raise \$41.1 million in 2012. For 2013 and 2014, lid lift revenues are projected at \$41.8 million and \$42.5 million respectively.

The commercial parking tax is a tax on the act or privilege of parking a motor vehicle in a commercial parking lot within the City that is operated by a commercial parking business. The tax rate was initially established at 5% effective July 1, 2007. As approved in the authorizing legislation, the rate increased on July 1, 2008 to 7.5%, and then to 10% on July 1, 2009. The tax yielded \$24.1 million in 2010. The commercial parking tax rate increased to 12.5 percent January 1, 2011 and generated \$28.2 million. The 2012 forecast in the 2012 Adopted Budget of \$30.7 million is revised downward to \$30.3 million. Commercial Parking Tax revenue is forecast to increase to \$31.3 million in 2013 and \$32.7 million in 2014. As noted, the original 10% commercial parking tax was established as part of the Bridging the Gap transportation program. These additional revenues from the 2.5% increase are authorized to fund a variety of transportation purposes, which are described in the Department of Transportation’s section of this budget.

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The business transportation tax (or employee hours tax) was a tax levied and collected from every firm for the act or privilege of engaging in business activities within the City of Seattle. The amount of the tax was based on the number of hours worked in Seattle or, alternatively, on a full-time equivalent employee basis. The tax rate per hour was \$0.01302, which is equivalent to \$25 per full-time employee working at least 1,920 hours annually. Several exemptions and deductions were provided in the authorizing ordinance. Most notably, a deduction was offered for those employees who regularly commuted to work by means other than driving a motor vehicle alone. The tax raised \$4.8 million in 2008 and \$5.9 million in 2009. The tax was eliminated effective in 2010. This decision was supported by the performance of the commercial parking tax, the difficult economic situation facing businesses, and the costs to businesses and the City of administering the tax.

## Revenue Overview

**Figure 19. Seattle City Tax Rates**

	2008	2009	2010	2011	2012
<b>Property Taxes (Dollars per \$1,000 of Assessed Value)</b>					
General Property Tax	\$1.70	\$1.55	\$1.78	\$1.87	\$1.97
Families & Education	0.14	0.12	0.14	0.14	0.27
Seattle Center/Parks Comm. Ctr.					
Parks and Open Space	0.18	0.18	0.20	0.20	0.21
Low Income Housing	0.03	0.03	0.17	0.17	0.18
Fire Facilities	0.17	0.15	0.09	0.10	0.06
Transportation	0.31	0.27	0.31	0.32	0.33
Pike Place Market		0.09	0.10	0.10	0.11
Emergency Medical Services	0.30	0.27	0.30	0.30	0.30
Low Income Housing (Special Levy)	0.07	0.06			
City Excess GO Bond	0.17	0.13	.014	0.15	0.15
<b>Retail Sales and Use Tax</b>	0.85%	0.85%	0.85%	0.85%	0.85%
<b>Business and Occupation Tax</b>					
Retail/Wholesale	0.215%	0.215%	0.215%	0.215%	0.215%
Manufacturing/Extracting	0.215%	0.215%	0.215%	0.215%	0.215%
Printing/Publishing	0.215%	0.215%	0.215%	0.215%	0.215%
Service, other	0.415%	0.415%	0.415%	0.415%	0.415%
International Finance	0.415%	0.415%	0.150%	0.150%	0.150%
<b>City of Seattle Public Utility Business Taxes</b>					
City Light	6.00%	6.00%	6.00%	6.00%	6.00%
City Water	15.54%	19.87%	19.87%*	15.54%	15.54%
City Drainage	11.50%	11.50%	11.50%	11.50%	11.50%
City Wastewater	12.00%	12.00%	12.00%	12.00%	12.00%
City Solid Waste	11.50%	11.50%	11.50%	11.50%	11.50%
<b>City of Seattle Private Utility B&amp;O Tax Rates</b>					
Cable Communications (not franchise fee)	10.00%	10.00%	10.00%	10.00%	10.00%
Telephone	6.00%	6.00%	6.00%	6.00%	6.00%
Natural Gas	6.00%	6.00%	6.00%	6.00%	6.00%
Steam	6.00%	6.00%	6.00%	6.00%	6.00%
Commercial Solid Waste	11.50%	11.50%	11.50%	11.50%	11.50%
<b>Franchise Fees</b>					
Cable Franchise Fee	4.20%	4.20%	4.20%	4.20%	4.20%
<b>Admission and Gambling Taxes</b>					
Admissions tax	5.00%	5.00%	5.00%	5.00%	5.00%
Amusement Games (less prizes)	2.00%	2.00%	2.00%	2.00%	2.00%
Bingo (less prizes)	10.00%	10.00%	10.00%	10.00%	10.00%
Punchcards/Pulltabs	5.00%	5.00%	5.00%	5.00%	5.00%

\*The 19.87% rate was effective March 31, 2009, and includes a temporary surcharge to respond to a court decision. This surcharge expired on December 31, 2010.

## 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).

### Debt Policies

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

### General Fund Fund Balance and Reserve Policies

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

### Other Citywide Policies

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

<sup>1</sup> The 0.50% contribution is lowered to 0.25% of forecasted tax revenues for 2012 and any year immediately following the suspension of contributions as a result of negative nominal tax revenue growth.

## Financial Policies

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

## City of Seattle Budget Process

Washington state law requires cities with populations greater than 300,000, such as Seattle, to adopt balanced budgets by December 2 of each year for the fiscal year beginning January 1. The adopted budget appropriates funds and establishes legal expenditure limits for the upcoming fiscal year. Washington state law also allows cities to adopt biennial budgets. In 1993, the City ran a pilot test on the concept of biennial budgeting for six selected departments. In 1995, the City moved from an annual to a modified biennial budget. Under this approach, the City Council formally adopts the budget for the first year of the biennium and endorses, but does not appropriate, the budget for the second year. The second year budget is based on the City Council endorsement and is formally adopted by the City Council after a midbiennial review.

### 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.

### Budget Preparation

Executive preparation of the budget generally begins in February and concludes no later than October 2 with the Mayor's submittal to the City Council of proposed operating and capital improvement program (CIP) budgets. Operating budget preparation is based on the establishment of a current services or "baseline" budget. Current services is defined as continuing programs and services the City provided in the previous year, in addition to previous commitments that will affect costs in the next year or two (when developing the two-year biennial budgets), such as the 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. At the outset of a new biennium, current services budgets are established for both the first and second years. For the midbiennium budget process, the Executive may define the current services budget as the second year budget endorsed by the City Council the previous November, or re-determine current service levels. For example, the 2012 Adopted Budget was used as the basis for the 2013-14 Proposed Budget.

### Budget Process

During the budget preparation period, the Department of Finance and Administrative Services (FAS), working in conjunction with the City Budget Office (CBO), makes two General Fund revenue forecasts, one in April and one in August. Both are used to determine whether the City's projected revenues are sufficient to meet the projected costs of the current services budget. The revenue estimates must be based on the prior 12 months of experience. Proposed expenditures cannot exceed the reasonably anticipated and legally authorized revenues for the year unless the Mayor proposes new revenues. In that case, proposed legislation to authorize the new revenues must be submitted to the City Council with the proposed budget.

## Budget Process

In May, departments prepared and submitted Budget Issue Papers (BIPs) to CBO for mayoral consideration. The Mayor's Office reviewed and provided direction to departments on the BIPs to be included in the department's budget submittal in early June. In early July, CBO received departmental operating budget and CIP submittals, including all position changes. Mayoral review and evaluation of department submittals took place during the month of August. CBO, in conjunction with individual departments, then finalized the operation and CIP budgets.

The process culminates in the proposed operating budget and CIP. Seattle's budget and CIP also allocate Community Development Block Grant funding. Although this federally funded program has unique timetables and requirements, Seattle coordinates it with the annual budget and CIP processes to improve preparation and budget allocation decisions, and streamline budget execution.

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.

### Budget Adoption

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. After completing the public hearing and deliberative processes, and after making changes to the Mayor's proposed budget, the City Council adopts the budget in late November through an ordinance is passed by majority vote. 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. 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 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 state the Council's expectations in making budget decisions and generally require affected departments to report back to the City Council on results. A chart summarizing the City's budget process schedule is provided at the end of this section.

### Legal Budget Control

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.

### Budget Execution

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.

# Budget Process

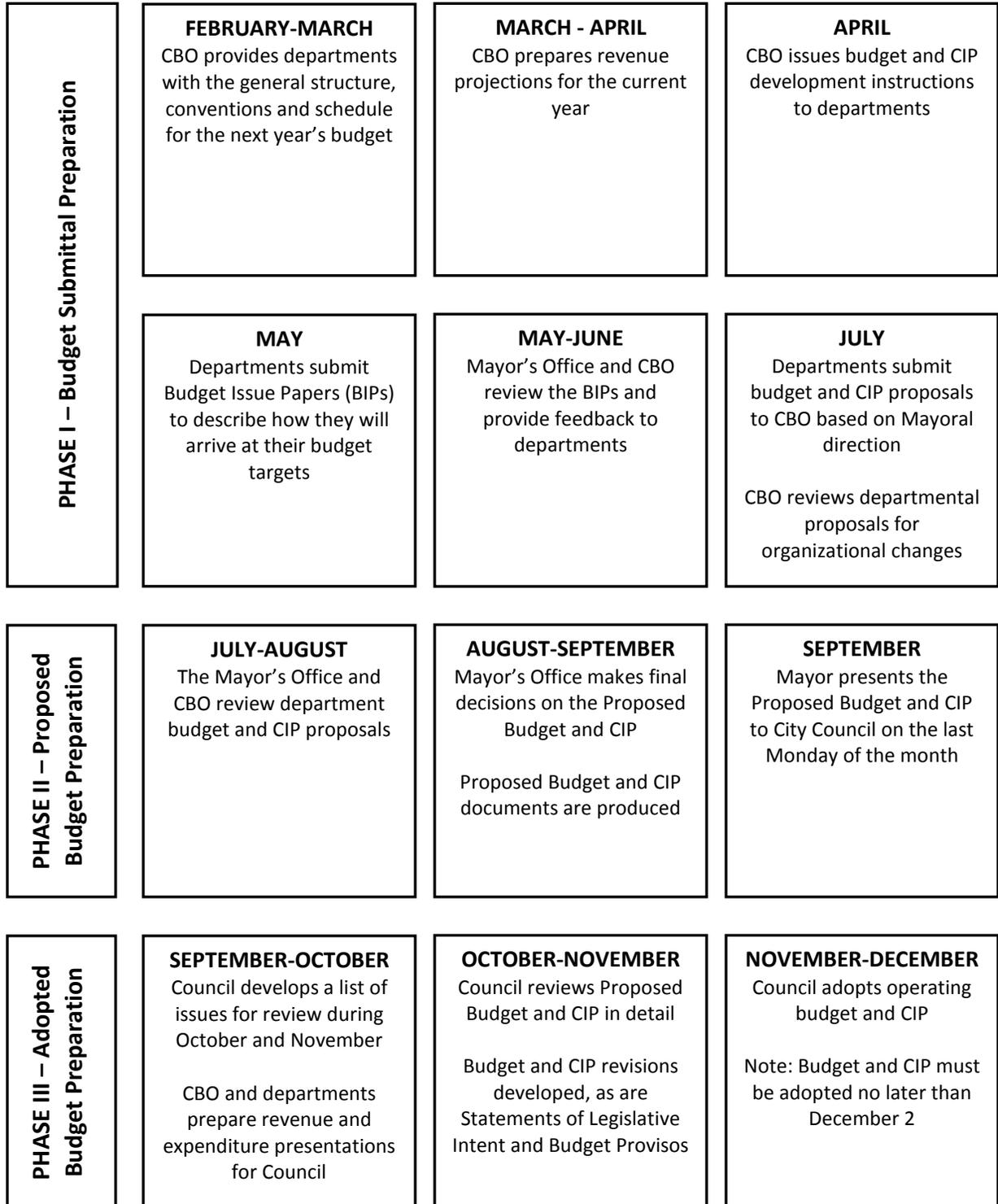
## Budget Amendment

A majority of the City Council may, by ordinance, eliminate, decrease, or re-appropriate any unexpended 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.

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%.

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 Process Diagram



## **Arts, Culture & Recreation**



# 2008 Parks Levy



## Department Overview

In November 2008, Seattle voters approved the 2008 Parks and Green Spaces Levy (2008 Parks Levy), a \$145.5 million, six-year Levy lid lift for park and recreation purposes. A 16-member Citizen Oversight Committee reviews expenditures, advises on allocations for upcoming budget years, makes recommendations on Opportunity Fund expenditures, and performs other duties.

The 2008 Parks Levy Fund chapter of the budget is an administrative tool to summarize the approved uses of the Levy. Proceeds from the 2008 Parks Levy are used mainly to support property acquisition, as well as capital expansion, development, and renovation of Department of Parks and Recreation (DPR) facilities. In addition, the Levy funds three projects in the Seattle Department of Transportation Capital Improvement Program (CIP), including the West Duwamish Trail Development, Burke Gilman Trail Extension, and the Lake to Bay Trail (Potlatch) Development, which is part of the Thomas Street Pedestrian Overpass project. This single budget control level reflects SDOT's trail projects funded by the Levy.

DPR's appropriations for the 2008 Parks Levy are more specifically described in the 2013-2018 Proposed CIP document.

The annual cost to property owners for this Levy is approximately \$0.20 per \$1,000 assessed value. DPR manages the 2008 Parks Levy Fund and the majority of the Levy funded projects. With these Levy resources, the City will acquire new neighborhood park and green spaces; develop new and existing parks, playgrounds, trails, boulevards, playfields, and cultural facilities; and perform environmental restoration at various DPR

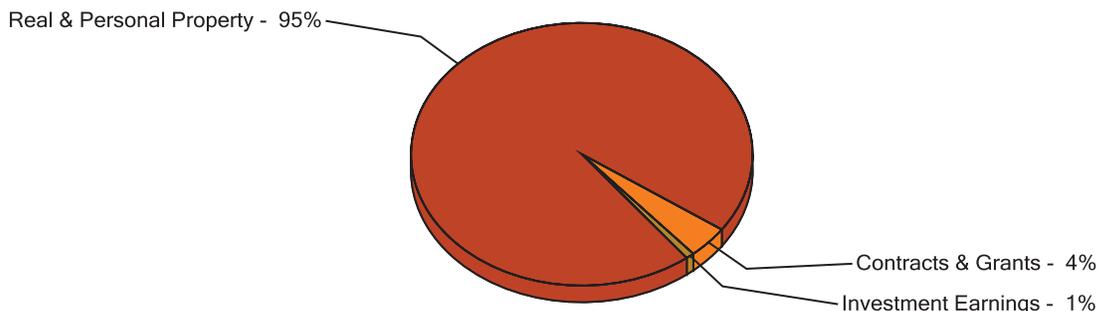
## 2008 Parks Levy

properties. The 2008 Parks Levy also includes a development opportunity fund for citizen-initiated projects called the Opportunity Fund.

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

- **Park and Green Space Acquisition:** The Levy provides \$36 million for neighborhood park and green space acquisitions. To date, DPR has appropriated over \$17 million for property acquisitions. The Department has implemented a policy to land bank all newly acquired green space until funding for park development is available.
- **Park Development Projects:** The Levy provides \$87 million for 62 named development projects, three of which are Trail projects managed by the Seattle Department of Transportation. To date, \$63 million has been appropriated for development projects. Funds from this category have been reallocated to the Opportunity Fund for various projects. Approximately \$3.4 million of savings has been reallocated from this category to fund two more playfield renovations in 2011; and \$9.8 million of inflation contingency funds were reallocated to fund 17 major maintenance projects in 2012.
- **Environmental Projects:** The Levy provides \$8 million for environmental projects, including forest and stream restoration, community garden and P-Patch development, and expanded shoreline access. To date, DPR has appropriated \$6.3 million for environmental projects.
- **Opportunity Fund:** The Levy provides \$15 million for citizen-initiated park projects to be recommended by the Levy Oversight Committee. In 2011, the Oversight Committee recommended funding two acquisitions and 13 development projects. DPR has appropriated \$7.5 million for these projects, in addition to the appropriations from the Park Development category for the playfield and major maintenance projects.

## 2013 Proposed Budget - Revenue by Category



## 2008 Parks Levy

### Budget Overview

The 2008 Parks Levy requires the Parks Levy Oversight Committee to make recommendations as to how Levy dollars are allocated. Their input helped shape development of the 2013-2018 CIP, which includes the individual Levy projects being funded in 2013 and 2014. The Oversight Committee will make the second and final round of recommendations for the Opportunity Fund in 2013.

Approximately \$3.8 million is appropriated from the Levy in 2013, including initial funding for five development projects scheduled to start in 2013. Of this amount, \$800,000 is appropriated in the Environmental Category based on the Levy Oversight Committee's April 23, 2012 recommendation to allocate the Environmental Category's inflation contingency to the Community Garden P-Patch Development project (\$427,000) and the Urban Forestry, Green Seattle Partnership project (\$983,000 from 2013-2015).

The Seattle Department of Transportation (SDOT) manages the three trail development projects identified in the Levy including Belltown/Queen Anne Connections, Lake Union Ship Canal, and Mountains to Sounds Greenway. Before SDOT can spend Levy dollars, the funds must be appropriated to that Department. In order to do this, the Levy budget includes a single Budget Control Level (BCL) for this purpose. The three trail projects were fully funded in 2010; one is expected to be completed in 2012, the others in 2014.

The following tables describe anticipated revenues and appropriations to the 2008 Parks Levy Fund for 2013 and 2014. As is typical with many capital programs, appropriations for the individual projects are made up-front and resulting expenditures span several years after the budget authority is approved. This front-loaded pattern of appropriations creates the temporary appearance of a large negative fund balance in the early years of the Levy period. However, the Fund's cash balance is projected to remain positive throughout the life of the Levy. Fund balance estimates are computed using values for anticipated capital expenditures, rather than budgeted capital expenditures.

## 2008 Parks Levy

### Revenue Overview

#### 2008 Parks Levy

#### 2008 Parks Levy Fund

	2011 Actual	2012 Adopted	2012 Revised	2013 Proposed	2014 Proposed
<b>Beginning Fund Balance</b>	<b>22,038,655</b>	<b>23,450,000</b>	<b>28,528,700</b>	<b>28,119,051</b>	<b>18,579,051</b>
Accounting and Technical Adjustments	-	-	-		-
Plus: Actual and Estimated Revenue	24,350,181	24,374,000	26,536,351	25,200,000	25,200,000
Less: Actual and Budgeted Expenditures (DPR)	17,216,794	28,728,000	25,354,000	30,640,000	15,188,000
Less: Actual and Budgeted Expenditures (SDOT)	643,341	5,509,000	1,592,000	4,100,000	739,000
<b>Ending Fund Balance</b>	<b>28,528,700</b>	<b>13,587,000</b>	<b>28,119,051</b>	<b>18,579,051</b>	<b>27,852,051</b>
Continuing Appropriations	42,399,032	20,103,000	37,453,032	6,495,032	(2,511,968)
<b>Total Reserves</b>	<b>42,399,032</b>	<b>20,103,000</b>	<b>37,453,032</b>	<b>6,495,032</b>	<b>(2,511,968)</b>
<b>Ending Fund Balance - Unreserved</b>	<b>(13,870,332)</b>	<b>(6,516,000)</b>	<b>(9,333,981)</b>	<b>12,084,019</b>	<b>30,364,019</b>
Note: Adopted and Forecast Appropriations					
Appropriations - Capital - (DPR)	29,059,000	18,321,000	22,000,000	3,782,000	6,920,000
Appropriations - Capital - (SDOT)	-	-	-	-	-

# Office of Arts and Cultural Affairs

Michele Scoleri, Interim Director

Department Information Line: (206) 684-7171

On the Web at: <http://www.seattle.gov/arts/>



## Department Overview

The mission of the Office of Arts and Cultural Affairs (OACA) is to promote the value of arts and culture in communities throughout Seattle. The Office promotes Seattle as a cultural destination and invests in Seattle's arts and cultural sector to ensure the city has a wide range of high-quality programs, exhibits, and public art. The Office has expanded to include five programs in the 2013-2014 Proposed Budget. In 2013, Langston Hughes Performing Arts Center (LHPAC) will join the four existing programs in the Office: Public Art; Cultural Partnerships; Community Development and Outreach; and Administrative Services. These programs are supported by two funding sources: the Arts Account, which is primarily funded through an allocation of 75% of the City's admission tax revenues, a General Fund revenue source; and the Municipal Arts Fund (MAF), which is primarily supported by the One Percent for Arts program.

- The Public Art Program integrates artists and the ideas of artists in the design of City facilities, manages the City's portable artworks collection, and incorporates art in public spaces throughout Seattle. This program is funded through the One Percent for Art program, which by ordinance requires eligible City capital projects to contribute one percent of their budgets to the Municipal Arts Fund for the commission, purchase, and installation of public artworks.
- The Cultural Partnerships Program invests in cultural organizations, youth arts programs, individual artists, and community groups to increase residents' access to arts and culture, and to promote a healthy cultural sector in the city. The Cultural Partnerships Program offers technical assistance and provides grants to arts and cultural organizations throughout the City.
- The Community Development and Outreach Program works to ensure greater community access to arts and culture through annual forums and award programs, by showcasing community arts exhibits and performances at City Hall, and by developing communication materials to promote Seattle as a "creative capital."
- The Administrative Services Program provides executive management and support services for the Office; supports the Seattle Arts Commission, a 16-member advisory board, which advises the

## Office of Arts and Cultural Affairs

Office, the Mayor, and the City Council on arts programs and policy; and promotes the role of the arts in economic development, arts education for young people, and cultural tourism.

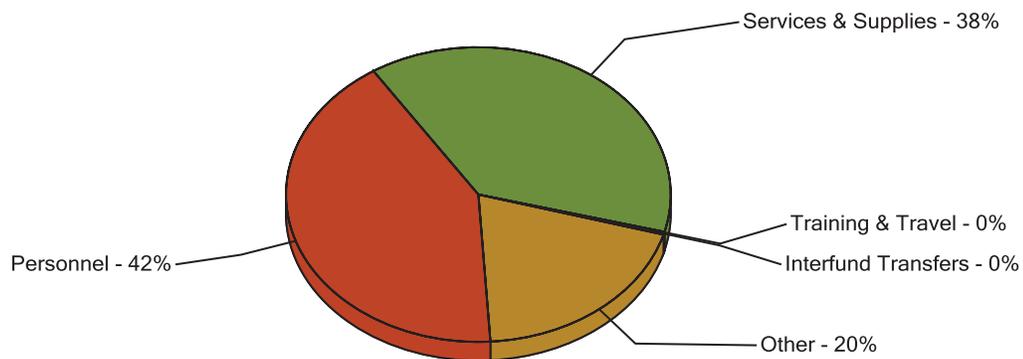
- The Langston Hughes Performing Arts Center (LHPAC) Program provides for the operation of the LHPAC, a cultural performing arts center that hosts classes, events, and programs, and whose goals are to provide quality cultural entertainment with educational components that meet the needs of the community. Until 2013, LHPAC operated out of the Department of Parks and Recreation.

### Budget Snapshot

Department Support	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
General Fund Support	\$0	\$0	\$270,000	\$275,000
Other Funding - Operating	\$6,108,088	\$7,373,233	\$6,807,112	\$7,002,712
<b>Total Operations</b>	<b>\$6,108,088</b>	<b>\$7,373,233</b>	<b>\$7,077,112</b>	<b>\$7,277,712</b>
<b>Total Appropriations</b>	<b>\$6,108,088</b>	<b>\$7,373,233</b>	<b>\$7,077,112</b>	<b>\$7,277,712</b>
Full-time Equivalent Total*	20.60	19.85	27.59	27.59

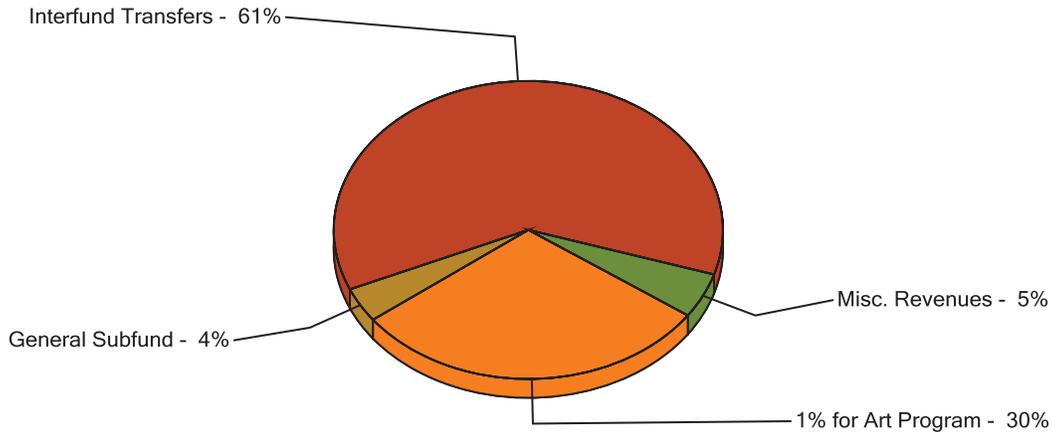
*\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Personnel Director actions outside of the budget process may not be detailed here.*

### 2013 Proposed Budget - Expenditure by Category



## Office of Arts and Cultural Affairs

### 2013 Proposed Budget - Revenue by Category



### Budget Overview

The 2013-2014 Proposed Budget for programs funded through the Arts Account was developed with a commitment to preserving arts programming. All core Arts Account programs - Civic Partners, Youth Arts, City Artists, smART ventures, and Neighborhood and Community Arts - remain funded at 2012 Adopted Budget levels. One-time funding scheduled to expire at the end of 2012 was removed from the Department's base budget prior to developing the 2013-2014 Proposed Budget. That funding was dedicated to two items: the Arts Means Business program, and the transfer of Admissions Tax revenues to the Department of Parks and Recreation (DPR) to support arts programming, including the Downtown Parks Arts Programming, the Outdoor Neighborhood Parks Activation projects, and the Langston Hughes Performing Arts Center operations.

Arts Account revenues, which come primarily from the Admission Tax, remain healthy and are forecast to increase from approximately \$4.5 million in 2013 to almost \$5.0 million by 2016. The 2013 revenues are based on the 2011 actual receipts of Admission Tax, so there is no volatility in 2013 in anticipating the level of revenue that will be received by the Fund.

Due to the expiration of the one-time programming costs and the health of the Admission Tax, funding is available in the OACA budget to accommodate the transfer of the Langston Hughes Performing Arts Center (LHPAC) from DPR. This transfer aligns with the mission of OACA and fits the purview of the Admission Tax, to fund "arts-related programs and one-time capital expenditures that keep artists living, working, and creatively challenged in Seattle." In 2011 and 2012, OACA provided funding for LHPAC via OACA's portion of the Admission Tax. By transferring the facility, OACA will be able to more closely manage LHPAC and incorporate the LHPAC budget into the arts funding structure. This action helps to more closely align the center with the broader arts community. OACA will also be working directly with LHPAC over the next two years to develop a long-term, self-sustaining financial strategy for the center. While LHPAC operations will transfer to OACA in 2013 in order to capitalize on OACA's strength in art programming and management,

## Office of Arts and Cultural Affairs

DPR will retain ownership of the facility and will continue to provide for its maintenance, a function it performs for many other Parks-owned facilities throughout the City.

The 2013-2014 Proposed Budget also restores funding for the Mayor's Arts Awards and the One Reel Visual Arts Exhibit. Funding for these programs, which occur on the weekend of Bumbershoot, was removed in the 2011-2012 Adopted Budget. However, through the use of salary savings, the events continued to be staged through both 2011 and 2012, as feedback from the arts community indicated that the ceremony and programming had a larger impact on the community than was previously understood. The restoration of the budget for the ceremony and programming allows the events continue without the need to find savings elsewhere in the budget.

The Budget also allows for funding of the Arts Account reserve as established in Council Resolution 31327. The Resolution calls for a reserve of 8% of the annual Admission Tax revenues (with a minimum reserve of \$400,000), to be established by January 1, 2015. The Proposed Budget fully funds this reserve, setting aside \$400,000 by the end of 2014.

The 2013-2014 Proposed Municipal Arts Fund Budget has also been updated to reflect the 2013 estimated revenues that will be collected from departments from their 1% Public Art eligible capital projects.

### Incremental Budget Changes

#### Office of Arts and Cultural Affairs

	2013		2014	
	Budget	FTE	Budget	FTE
<b>Total 2012 Adopted Budget</b>	<b>\$ 7,373,233</b>	<b>19.85</b>	<b>\$ 7,373,233</b>	<b>19.85</b>
<b>Baseline Changes</b>				
Citywide Adjustments for Standard Cost Changes	\$ 199,501	0.00	\$ 398,074	0.00
Net-Zero Transfer Between BCLs to Align Budget with Actual Costs	\$ 0	0.00	\$ 30	0.00
Remove One-Time Funding	-\$ 1,421,776	0.00	-\$ 1,454,477	0.00
<b>Proposed Policy Changes</b>				
Restore Mayor's Arts Award Funding	\$ 18,000	0.00	\$ 18,360	0.00
Transition Langston Hughes to Office of Arts and Cultural Affairs	\$ 737,005	7.09	\$ 762,257	7.09
Increase Staffing for Public Arts Projects to Meet Workload Demands	\$ 53,644	0.65	\$ 55,208	0.65
<b>Proposed Technical Changes</b>				
Final Citywide Adjustments for Standard Cost Changes	\$ 117,505	0.00	\$ 125,027	0.00
<b>Total Incremental Changes</b>	<b>-\$ 296,121</b>	<b>7.74</b>	<b>-\$ 95,521</b>	<b>7.74</b>
<b>2013 - 2014 Proposed Budget</b>	<b>\$ 7,077,112</b>	<b>27.59</b>	<b>\$ 7,277,712</b>	<b>27.59</b>

# Office of Arts and Cultural Affairs

## Description of Incremental Budget Changes

### Baseline Changes

#### **Citywide Adjustments for Standard Cost Changes - \$199,501**

Citywide technical adjustments made in the "Baseline Phase" reflect changes due to inflation, central cost allocations, retirement, health care, workers' compensation, and employment costs. These adjustments reflect initial assumptions about these costs and inflators early in the budget process.

#### **Net-Zero Transfer Between BCLs to Align Budget with Actual Costs**

This adjustment transfers budget authority between BCLs to align the budget more accurately with actual spending.

#### **Remove One-Time Funding - (\$1,421,776)**

This change removes one-time funding scheduled to expire at the end of 2012. This funding included \$255,000 for the Arts Means Business program and \$1,166,776 for arts programming in the Department of Parks and Recreation, including Langston Hughes, Downtown Parks Arts Programming, and the Outdoor Neighborhood Parks Activation projects.

### Proposed Policy Changes

#### **Restore Mayor's Arts Award Funding - \$18,000**

This change restores funding for the Mayor's Arts Awards and the One Reel Visual Arts Exhibit. Funding for these programs, which occur on the weekend of Bumbershoot, was removed in the 2011-2012 Adopted Budget. However, through the use of salary savings, the events continued to be staged through both 2011 and 2012. Since its inception in 2002, the Mayor's Arts Awards has grown into an event of great importance in the broader cultural community, and the work generated by the award is carried throughout the year. The restoration of the budget for the ceremony and programming allows the events to continue without needing to find savings elsewhere in the budget.

#### **Transition Langston Hughes to Office of Arts and Cultural Affairs - \$737,005/7.09 FTE**

This action transfers the staff and other costs associated with operating the Langston Hughes Performing Art Center (LHPAC) from the Department of Parks and Recreation (DPR) to OACA. Funding for the program will come primarily from the Admission Tax. Other funding includes \$71,000 from LHPAC revenues for facility rentals, and \$270,000 from the General Fund. To capitalize on efficiencies, Parks will retain ownership of the facility and will continue to provide for its maintenance.

This transfer aligns with the mission of OACA and fits the purview of the Admission Tax, to fund "arts-related programs and one-time capital expenditures that keep artists living, working, and creatively challenged in Seattle." In 2011 and 2012, OACA provided funding for LHPAC via OACA's portion of the Admission Tax. By transferring the facility, OACA will be able to more closely manage LHPAC and incorporate the LHPAC budget into the arts funding structure. This action helps to more closely align the center with the broader arts community.

OACA will also be working directly with LHPAC over the next two years to develop a long-term self-sustaining financial strategy for the center.

## Office of Arts and Cultural Affairs

### Increase Staffing for Public Arts Projects to Meet Workload Demands - \$53,644/.65 FTE

This adjustment adds funding to increase two part-time positions to full time. The positions, in the Public Art Program, were previously staffed at 0.85 FTE and 0.5 FTE. The Public Art Program currently manages 50 ongoing projects and is planning to identify at least eight additional projects this year, and another 10 to 15 in 2013. Projects associated with the Waterfront project will begin to ramp up next year and will continue to increase over the life of the project. In addition, there is a backlog of public art projects associated with Seattle City Light percent for art funds which require project management staffing. This increase in staffing provides the Public Art team with the additional capacity needed to be able to manage and complete the increasing project load.

### Proposed Technical Changes

### Final Citywide Adjustments for Standard Cost Changes - \$117,505

Citywide technical adjustments made in the "Proposed Phase" reflect changes due to inflation, central cost allocations, retirement, health care, workers' compensation, and unemployment costs. These adjustments typically reflect updates to preliminary cost assumptions established in the "Baseline Phase."

## Expenditure Overview

Appropriations	Summit Code	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
<b>Arts Account Budget Control</b>					
Administrative Services - AT		322,256	384,164	412,047	424,077
Community Development and Outreach - AT		1,353,089	1,622,272	536,140	553,360
Cultural Partnerships - AT		2,689,910	3,043,100	2,874,968	2,945,379
Langston Hughes Performing Arts Center - AT		0	0	774,191	809,168
<b>Total</b>	<b>VA140</b>	<b>4,365,254</b>	<b>5,049,535</b>	<b>4,597,345</b>	<b>4,731,984</b>
<b>Municipal Arts Fund Budget Control Level</b>	<b>2VMAO</b>	<b>1,742,834</b>	<b>2,323,698</b>	<b>2,479,766</b>	<b>2,545,728</b>
<b>Department Total</b>		<b>6,108,088</b>	<b>7,373,233</b>	<b>7,077,112</b>	<b>7,277,712</b>
<b>Department Full-time Equivalent Total*</b>		<b>20.60</b>	<b>19.85</b>	<b>27.59</b>	<b>27.59</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.*

## Office of Arts and Cultural Affairs

### Revenue Overview

#### 2013 Estimated Revenues

##### Arts Account (00140)

Summit Code	Source	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
587001	Admission Tax	4,176,143	4,967,327	4,398,229	4,439,449
587001	General Subfund Support	0	0	270,000	275,000
	<b>Total Interfund Transfers</b>	<b>4,176,143</b>	<b>4,967,327</b>	<b>4,668,229</b>	<b>4,714,449</b>
461110	Interest Earnings	9,825	12,000	15,000	20,000
462900	Miscellaneous Revenues	0	0	70,880	70,880
469990	Miscellaneous Revenues	34	0	0	0
	<b>Total Miscellaneous Revenues</b>	<b>9,859</b>	<b>12,000</b>	<b>85,880</b>	<b>90,880</b>
379100	Use of (Contribution To) Fund Balance	179,252	70,208	-156,764	-73,345
	<b>Total Use of Fund Balance</b>	<b>179,252</b>	<b>70,208</b>	<b>-156,764</b>	<b>-73,345</b>
	<b>Total Revenues</b>	<b>4,365,254</b>	<b>5,049,535</b>	<b>4,597,345</b>	<b>4,731,984</b>
	<b>Total Resources</b>	<b>4,365,254</b>	<b>5,049,535</b>	<b>4,597,345</b>	<b>4,731,984</b>

#### 2013 Estimated Revenues

##### Municipal Arts Fund (62600)

Summit Code	Source	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
541190	Interfund Transfers (1% for Art)	2,366,678	2,017,869	2,149,466	1,754,622
	<b>Total 1% for Art Program</b>	<b>2,366,678</b>	<b>2,017,869</b>	<b>2,149,466</b>	<b>1,754,622</b>
441990	Public Art Management Fees	196,300	185,864	186,000	186,000
461110	Interest Earnings	61,861	100,000	70,000	70,000
469990	Miscellaneous Revenues	210,019	8,500	9,000	9,000
	<b>Total Miscellaneous Revenues</b>	<b>468,180</b>	<b>294,364</b>	<b>265,000</b>	<b>265,000</b>
379100	Use of (Contribution To) Fund Balance	-1,090,030	11,465	65,300	526,106
	<b>Total Use of Fund Balance</b>	<b>-1,090,030</b>	<b>11,465</b>	<b>65,300</b>	<b>526,106</b>
	<b>Total Revenues</b>	<b>1,744,828</b>	<b>2,323,698</b>	<b>2,479,766</b>	<b>2,545,728</b>
	<b>Total Resources</b>	<b>1,744,828</b>	<b>2,323,698</b>	<b>2,479,766</b>	<b>2,545,728</b>

## Office of Arts and Cultural Affairs

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

#### **Arts Account Budget Control Level**

The purpose of the Arts Account Budget Control Level (BCL) is to invest in Seattle's arts and cultural community to keep artists living and working in Seattle, to build community through arts and cultural events, and to increase arts opportunities for youth. The BCL appropriates the Office's admission tax set-aside, which is 75 percent of the city's total Admission Tax revenues.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Administrative Services - AT	322,256	384,164	412,047	424,077
Community Development and Outreach - AT	1,353,089	1,622,272	536,140	553,360
Cultural Partnerships - AT	2,689,910	3,043,100	2,874,968	2,945,379
Langston Hughes Performing Arts Center - AT	0	0	774,191	809,168
<b>Total</b>	<b>4,365,254</b>	<b>5,049,535</b>	<b>4,597,345</b>	<b>4,731,984</b>
Full-time Equivalents Total*	10.50	9.75	16.84	16.84

*\* 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 Arts Account Budget Control Level:**

#### **Administrative Services - AT Program**

The purpose of the Administrative Services Program is to provide executive management and support services to the Office and to support the Seattle Arts Commission, a 15-member advisory board that advises the Office, the Mayor, and the City Council on arts programs and policy.

<b>Expenditures/FTE</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Administrative Services - AT	322,256	384,164	412,047	424,077
Full-time Equivalents Total	3.50	3.50	3.50	3.50

#### **Community Development and Outreach - AT Program**

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

<b>Expenditures/FTE</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Community Development and Outreach - AT	1,353,089	1,622,272	536,140	553,360
Full-time Equivalents Total	2.50	2.50	2.50	2.50

# Office of Arts and Cultural Affairs

## Cultural Partnerships - AT Program

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

Expenditures/FTE	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Cultural Partnerships - AT	2,689,910	3,043,100	2,874,968	2,945,379
Full-time Equivalents Total	4.50	3.75	3.75	3.75

## Langston Hughes Performing Arts Center - AT Program

The Langston Hughes Performing Arts Center (LHPAC) Program provides for the operation of the LHPAC, a cultural performing arts center that hosts classes, events, and programs, and whose goals are to provide quality cultural entertainment with educational components that meet the needs of the community. Until 2013, LHPAC operated out of the Department of Parks and Recreation.

Expenditures/FTE	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Langston Hughes Performing Arts Center - AT	0	0	774,191	809,168
Full-time Equivalents Total	0.00	0.00	7.09	7.09

## Municipal Arts Fund Budget Control Level

The purpose of the Municipal Arts Fund Budget Control Level (BCL) is to fund the Public Art program which develops engaging art pieces and programs for City facilities, and maintains the City's existing art collection. The BCL appropriates revenues from the Municipal Arts Fund (MAF), of which most come from the City's One Percent for Art program, a program that invests one percent of eligible capital funds in public art.

Program Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Municipal Arts Fund	1,742,834	2,323,698	2,479,766	2,545,728
<b>Total</b>	<b>1,742,834</b>	<b>2,323,698</b>	<b>2,479,766</b>	<b>2,545,728</b>
Full-time Equivalents Total*	10.10	10.10	10.75	10.75

\* 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.

## Office of Arts and Cultural Affairs

### Arts and Cultural Affairs Fund Table

#### Municipal Arts Fund (62600)

	2011 Actuals	2012 Adopted	2012 Revised	2013 Proposed	2014 Proposed
<b>Beginning Fund Balance</b>	5,787,826	4,198,645	6,868,570	5,758,086	5,692,785
Accounting and Technical Adjustments	-11,280	0	0	0	0
Plus: Actual and Estimated Revenues	2,834,858	2,312,233	2,312,233	2,414,466	2,019,622
Less: Actual and Budgeted Expenditures	1,742,834	2,323,698	3,422,717	2,479,766	2,545,728
<b>Ending Fund Balance</b>	<b>6,868,570</b>	<b>4,187,180</b>	<b>5,758,086</b>	<b>5,692,785</b>	<b>5,166,680</b>
Encumbrance	1,115,995				
<b>Total Reserves</b>	<b>1,115,995</b>				
<b>Ending Unreserved Fund Balance</b>	<b>5,752,575</b>	<b>4,187,180</b>	<b>5,758,086</b>	<b>5,692,785</b>	<b>5,166,680</b>

#### Arts Account (00140)

	2011 Actuals	2012 Adopted	2012 Revised	2013 Proposed	2014 Proposed
<b>Beginning Fund Balance</b>	716,343	219,626	536,364	172,098	328,862
Accounting and Technical Adjustments	-727	0	0	0	0
Plus: Actual and Estimated Revenues	4,186,002	4,979,327	4,979,327	4,754,109	4,805,329
Less: Actual and Budgeted Expenditures	4,365,254	5,049,535	5,343,593	4,597,345	4,731,984
<b>Ending Fund Balance</b>	<b>536,364</b>	<b>149,418</b>	<b>172,098</b>	<b>328,862</b>	<b>402,207</b>
Operating Reserve		149,418	170,000	300,000	400,000
<b>Total Reserves</b>		<b>149,418</b>	<b>170,000</b>	<b>300,000</b>	<b>400,000</b>
<b>Ending Unreserved Fund Balance</b>	<b>536,364</b>	<b>0</b>	<b>2,098</b>	<b>28,862</b>	<b>2,207</b>

# Department of Parks and Recreation

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Christopher Williams, Acting Superintendent

Department Information Line: (206) 684-4075

On the Web at: <http://www.seattle.gov/parks/>



# Department of Parks and Recreation

## Department Overview

The Department of Parks and Recreation (DPR) works with all residents to be good stewards of the environment, and to provide safe, welcoming opportunities to play, learn, contemplate, and build community.

DPR manages a 6,200-acre park system comprised of 430 developed parks, featuring 185 athletic fields, 130 children's play areas, 11 off-leash areas, nine swimming beaches, 18 fishing piers, four golf courses, and 25 miles of boulevards. Other facilities include 151 outdoor tennis courts, 26 community centers, eight indoor and two outdoor swimming pools, 22 wading pools, eight spray features, 17 miles of paved trails, and more. The Woodland Park Zoological Society operates the zoo with City financial support and the Seattle Aquarium Society operates the City-owned Seattle Aquarium. Hundreds of thousands of residents and visitors use Parks and Recreation facilities to pursue their passions from soccer to pottery, kite flying to golf, swimming to community celebrations, or to sit in quiet reflection.

Department employees work hard to develop partnerships with park neighbors, volunteer groups, non-profit agencies, local businesses, and the Seattle School District 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 childcare and recreation programs at Park-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 consistently offer quality childcare and a wide range of recreation programs to the public.

Funding for new parks facilities has historically come from voter-approved levies, county, state, or federal matching grants, tax-exempt borrowing, and City real estate excise tax revenue. In 1999, Seattle voters approved a renewal of the 1991 Seattle Center and Community Centers Levy, continuing DPR's commitment to renovate and expand facilities and provide new recreation centers. The 1999 Levy totaled \$72 million spread over eight years; DPR received half of the total funding to build and/or renovate nine community centers. One year later, Seattle voters approved the 2000 Neighborhood Parks, Green Spaces, Trails and Zoo Levy (2000 Parks Levy), which enabled the Department to complete more than 100 park acquisition and development projects, improve maintenance, enhance environmental programs and practices, and expand recreation opportunities for youth and seniors. The remaining projects to be completed as part of the 2000 Parks Levy include the First Hill Park acquisition; development of First Hill, Crown Hill, and University Heights Parks; the Magnuson Park Wetlands-Shoreponds restoration; and three trails projects managed by the Seattle Department of Transportation.

In 2008, Seattle voters approved the 2008 Parks and Green Spaces Levy (2008 Parks Levy), which provides \$145.5 million for improving and expanding the City's parks and green spaces. This 2008 Levy provides for acquisition of new parks and green spaces; development and improvements of various parks; renovation of cultural facilities; and funding for an environmental category which includes the Green Seattle Partnership, community gardens, trails, and improved shoreline access at street ends.

While the Seattle voters have consistently chosen to expand their parks and recreation system, the money available to operate the Parks system is constrained. Parks relies heavily on the General Fund for financial support. In fact, the 2013 Proposed Budget for Parks is \$127 million, \$85 million of which - or 67% - comes from the General Fund. The remaining \$42 million comes from user fees, rental charges, and payments from capital funds for the time staff spend working on capital projects. The cost of operating a growing Parks system exceeds the availability of General Fund resources, requiring the Department to make some difficult choices. Nonetheless, Parks continues to look for creative opportunities to redefine how it does business in order to preserve access for the community.

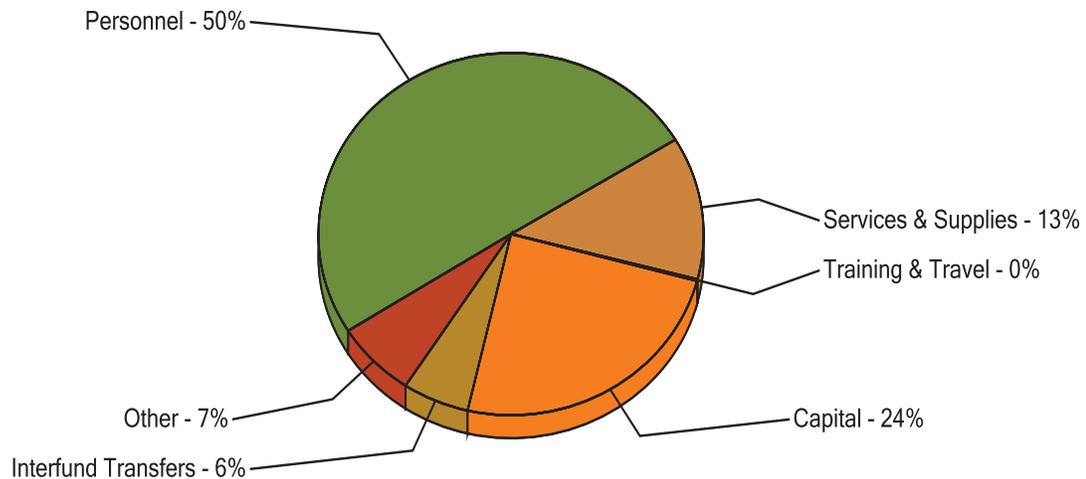
## Department of Parks and Recreation

### Budget Snapshot

Department Support	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
General Fund Support	\$78,129,409	\$81,463,581	\$85,480,087	\$90,966,675
Other Funding - Operating	\$40,658,594	\$41,492,830	\$42,342,987	\$44,049,727
<b>Total Operations</b>	<b>\$118,788,003</b>	<b>\$122,956,412</b>	<b>\$127,823,074</b>	<b>\$135,016,402</b>
Other funding - Capital	\$34,540,515	\$52,283,000	\$40,572,000	\$24,936,000
<b>Total Appropriations</b>	<b>\$153,328,518</b>	<b>\$175,239,412</b>	<b>\$168,395,074</b>	<b>\$159,952,402</b>
Full-time Equivalent Total*	890.89	863.09	856.07	856.07

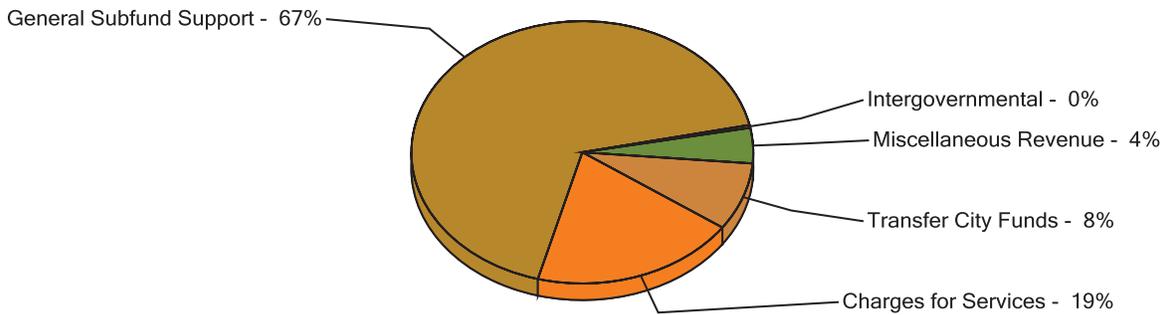
\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Personnel Director actions outside of the budget process may not be detailed here.

### 2013 Proposed Budget - Expenditure by Category



## Department of Parks and Recreation

### 2013 Proposed Budget - Revenue by Category



### Budget Overview

The General Fund is continuing to experience pressures in 2013 and 2014, requiring reductions to General Fund supported functions. The Department of Parks and Recreation (DPR) achieves savings through maintenance efficiencies and takes advantage of revenue opportunities to address the City's budget challenges, all of which minimize direct service level impacts to the public. In developing its budget for 2013 and 2014, DPR sought to protect access to facilities and maintain its assets.

The 2013-2014 Proposed Budget maintains funding for all City-funded swimming pools, continues wading pool operations at 2012 levels, provides funding for lifeguards at the City's public beaches, and supports the Volunteer Park Conservatory under a more financially sustainable operating model. Additional funding is also provided in the 2103-2104 Proposed Budget to expand community center hours at select community centers that serve at-risk youth and to provide enhancements to parks maintenance levels. Finally, the Rainier Beach Community Center and pool will reopen in 2013 following a two year closure for reconstruction.

#### Maintenance Efficiencies and Restoration

##### Irrigation Savings

The Department is able to achieve savings by reducing irrigation levels in less frequently used parks. In recent years, Parks has been moving increasingly toward a different type of turf maintenance in an effort to provide a more environmentally appropriate level of care that is based on current horticultural and water conservation thinking. Rather than using vast amounts of water to keep park lawns green all summer, the Department has reduced irrigation so that some park lawns go dormant during the summer months, and then become green when the rains return in September. The exception to this practice is for athletic field turf where the Department tries to maintain vigorous growth year-round in order to provide safe playing

## Department of Parks and Recreation

surfaces, as well as certain horticultural displays. The Department piloted this approach in 2012 and expects to continue with this practice in 2013 and beyond.

### Roof Cleaning Efficiencies

The Department also achieves savings without direct service level impacts by transferring responsibility for annual roof cleaning and inspection from the carpentry shop to the new (2012 implemented) installation maintenance workers in the Park Resources division.

Historically, the Facility Maintenance carpenter shop has assigned a maintenance laborer position responsibility for approximately 400+ preventive maintenance work orders for roof cleaning and inspection per year. These work orders include roof cleaning for community centers, pools, shelter houses, comfort stations, picnic shelters and all other buildings. With the deployment of the new installation maintenance workers to the eight geographically based parks resources crews in late 2012, the roof cleaning and inspection work for roofs on smaller buildings (picnic shelters, comfort stations, shelter houses, etc.) can be handled on a dispersed, first point of contact basis to achieve operating efficiencies.

The Facility Maintenance carpenter shop will continue to issue the preventive maintenance work orders for roof cleaning and inspection activities on major buildings. While this reduction may limit the ability of the Facility Maintenance shops to undertake special projects in-house, it is an important efficiency-based change that is manageable and will not result in any impacts to the public.

### Shift Funding to the CIP

The Department achieves General Fund savings by shifting maintenance costs from the operating budget to the CIP based on actual facility maintenance needs. The Department has experienced an increase in the labor hours charged to numerous CIP projects for design reviews and inspections. In addition, there has been an increase in the amount of labor hours involved in implementing CIP projects such as the Boiler Replacement Program, Electrical System Replacement Program, Irrigation Replacement and Outdoor Infrastructure Program, and Roof & Building Envelope Program. This change has no impact on the overall maintenance of parks facilities, and it achieves savings without visible impacts to the public.

### Restore Maintenance Levels During Peak Seasons

Through these and other efficiencies, some additional funding was identified that the Department will use to restore maintenance levels during peak seasons. In response to 2011 budget reductions, Parks reduced the parks resources crews responsible for basic grounds maintenance activities such as litter control, mowing, trimming, and leaf removal in parks throughout the city. The reductions have made it challenging to maintain service levels, primarily during peak season. This additional funding will allow for a partial restoration of the grounds maintenance activities that were previously cut. The appearance, safety, and cleanliness of parks will improve with increased attention to litter control, mowing and trimming, and leaf removal.

## Leveraging Partnerships

### Transition of Langston Hughes Performing Arts Center to Arts

The 2013-2014 Proposed Budget transfers the operations of the Langston Hughes Performing Art Center (LHPAC) from the Department of Parks and Recreation to the Office of Arts and Cultural Affairs (OACA). In 2011 and 2012, OACA provided funding for LHPAC via OACA's portion of the Admissions Tax. By transferring the facility to OACA, OACA will be able to more closely manage LHPAC and incorporate the LHPAC budget into the broader arts funding structure. Given that OACA's sole purpose is to support arts and cultural affairs throughout Seattle, this action helps to more closely align the LHPAC with the broader arts community. OACA will also be working directly with LHPAC over the next two years to develop a long-term self-sustaining financial strategy for the cultural center.

# Department of Parks and Recreation

## **New Fundraising Partnership with ARC**

The Department is seeking additional capacity to raise private sector dollars to support its recreation and maintenance programs. To do this, the Department will provide additional funding to the Associated Recreation Council (ARC) to assist them in developing new donor and sponsor opportunities for the Department. ARC will research funding and sponsorship opportunities and develop relationships with private businesses with the goal of increasing revenue through cash contributions and partnership opportunities.

ARC will first conduct feasibility studies with donors and sponsors to determine the scope and scale of the fundraising efforts. They will then develop and begin implementation of a 2-5 year strategic business plan to systematically build the donation and sponsorship programs for ongoing recreational programs. ARC is anticipating to raise at least \$150,000 annually during the first two years of this endeavor, and over time will more than repay the City's investment.

## **Woodland Park Zoo Parking Lot Investment**

The 2013-2014 Proposed Capital Improvement Project Budget includes funding to support development of 180 surface lot parking spaces at the north-end of the Zoo, including all related site preparation. The City will cover 75% of the costs, leaving the remaining 25% of the costs to the Zoo. The addition of these parking spaces will mitigate the impacts of Zoo patrons parking in nearby neighborhoods and fits within the spirit of the operating agreement between the Zoo and the City for operations of the Woodland Park Zoo.

## **Leveraging Alternate Revenue Sources**

In order to preserve direct services and alleviate General Fund pressures, DPR also seeks opportunities to enhance and make strategic use of revenues and other funding sources. Parks does this in a variety of ways, including an increase in swimming pool fees; use of fund balance; and modest and targeted fee increases.

## **Swimming Pool Fee Increases**

The Department will increase swimming pool fees to generate additional revenues. Most of the fee increases are very modest. There are four categories of fees that will be increased, including: recreational swimming fees (family swim, lap swim, public swim, and adult swim); swim lesson fees (pre-registration group, Summer Swim League and personal instruction for all ages); fitness class fees (various water exercise classes and masters swimming); and pool rentals - swim team rental fees (ongoing rentals to teams serving youth and adults). The last swimming pool fee increase in these categories was in 2011. The proposed 2013-2014 fees are generally comparable to 2012 regional swimming pool fees in similar categories.

## **Use of Fund Balance**

The Department will use \$1.6 million of its Parks fund balance in 2013. Parks has a tradition of efficiently managing costs and has been able to accumulate additional fund balance beyond its \$500,000 fund balance target over the past couple of years. Parks has strategically used these reserves over the past three years to help balance its budget, thereby reducing the need for scarce General Fund resources.

## **New Fees**

For 2013, Parks is proposing several new fees in order to preserve direct services. All fees proposed in the 2013-2014 Proposed Budget comply with DPR's existing fees and charges policies. These policies require that revenues from fees and charges be used exclusively to support Parks facilities; that they be based on the cost of providing the service; and that a higher percentage cost is recovered for services where the benefits of the service accrue primarily to the individual and a lower percentage is recovered where the community as a whole also benefits. In addition to ensuring that the fees comply with these policies, the Department has also analyzed comparable fees charged by other public agencies and recreation service providers.

## Department of Parks and Recreation

The fee changes in 2013 include a new \$4 admissions fee at Volunteer Park Conservatory, increased fees at the Langston Hughes Performing Arts Center (LHPAC) based on the new renovations, and fees for the new Challenge Course at Camp Long. The fee at Volunteer Park Conservatory is estimated to generate an additional \$100,000 annually, which will be used to cover ongoing maintenance costs at the facility. The fee increases at LHPAC are anticipated to generate about \$30,000 in 2013 based on the estimated increase in usage of the building. Although LHPAC is being transferred to the Office of Arts and Cultural Affairs, Parks will continue to collect and process revenues associated with LHPAC in 2013. The new Challenge Course is expected to generate an additional \$55,000 annually.

### Staffing Changes

Parks is also protecting the provision of direct services by identifying a combination of staffing efficiencies and position reductions starting in 2013. The Department approached staffing reductions with the goal of reducing positions that provide duplicative services and those in program areas that could be better aligned with required workloads. Parks looked broadly across all divisions and reduced positions in several different program areas resulting in a total general fund savings of approximately \$500,000. These reductions were chosen based on their relatively minimal impacts on direct services being provided to the public.

Based on the overall slowdown in the Department's capital program over the past few years, two-and-a-half capital project positions are reduced in the Planning and Development division. This division ramped up when the 2008 Parks Levy was approved and when larger amounts of capital funds were available for projects. With the majority of the Levy projects complete and reduced levels of capital funding available, the Department is able to make commensurate reductions in program staff with no impacts on services for a total savings of \$255,000.

Additional efficiencies are realized in the Human Resources division, the Accounting division, and the Facility Maintenance division. In 2013, the Department reallocates resources and modifies work duties within the Human Resources Unit and reduces non-personnel expenses by \$50,000. By eliminating one part-time position and increasing two other part-time positions to full-time, Parks can better align current resources with priority areas such as employee safety while efficiently meeting the unit's communication, administration and retention responsibilities. A similar approach is taken in the Accounting Unit by eliminating a part-time accounting technician position and reallocating the work to existing staff. Finally, Parks eliminates a delivery worker position in the Facility Maintenance unit responsible for making the daily interoffice mail delivery. This work will be assigned to existing staff. None of these changes will result in service level impacts to the public.

### Improving Access to Community Centers

Over the last two years, the operating model for community centers has undergone several changes. Budget reductions in 2011 resulted in reduced hours in five of the City's 26 community centers. In 2012, this model was replaced by a geographically-based model where centers were sorted into three tiers, with Tier 1 centers being fully staffed and typically offering approximately 70 hours of public drop-in use; Tier 2a centers having reduced staffing and offering approximately 45 hours of public hours; and Tier 2b centers only having half-time staff and offering 25 hours of public hours per week. Two of the Tier 2b centers (International District Chinatown and Magnolia) later received additional one-time funding to extend hours for 2012.

Through careful management and efficiencies, additional funding is identified in the 2013-2014 Proposed Budget to increase the hours of operation at seven community centers that are presently classified as Tier 2a or 2b sites that serve at-risk youth (Ballard, Delridge, Miller, Northgate, South Park, Van Asselt, and Yesler). The objective of this investment is to provide youth with safe outlets outside of school hours with the goal of enhancing public safety. Five of these community centers are connected to existing Seattle Youth Violence Prevention Initiative (SYVPI) activities (Van Asselt, South Park, Miller, Yesler, and Delridge). Northgate and Ballard hours will be extended to allow access to more late night recreational programs to teens in the north and northwest sectors of the City.

## Department of Parks and Recreation

The SYVPI mission is to prevent and reduce youth violence, which has disproportionately affected communities of color in Seattle, through coordinated, accountable community mobilization to identify youth at risk of perpetuating or being a victim of violence and connect them with needed support in reaching their full potential. The Parks Department partners with SYVPI to offer a safe haven for youth and to provide challenging, constructive, hands-on educational and artistic activities. These extended hours offer youth a safe place to go with caring adults where they can play and record music in a studio, learn job skills, participate in sports tournaments, create wearable art and much more.

Ten hours of additional hours of public use per week are proposed at each of these six locations. In many cases, the additional hours will be targeted for Friday nights and Saturday afternoons and evenings. Late night hours at community centers have proven to be effective at preventing crimes by providing teens with a safe outlet for activities. For instance, the South Park Community Center currently closes at 7 pm on Fridays and 3 pm on Saturdays. Under this proposal, the South Park Community Center will stay open until 10 pm on both Friday and Saturday evenings. All seven centers will now have late night hours on both Friday and Saturday evenings.

In addition to the seven centers described above, the 2013-2014 Proposed Budget also maintains hours at two other Tier 2b sites, International District Chinatown and Magnolia. One-time contingency funding was provided to the Department in 2012 as the community center model was being implemented. The funds were to be used at centers that needed additional hours based on actual usage. After a few months of operating under the new model, the Department determined these two Tier 2b centers had the highest need for additional hours. The Magnolia Community Center has some of the highest usage rates for a Tier 2b center. While Parks data shows lower usage rates at the International District Chinatown Community Center, this facility predominately serves low-income seniors who may face cultural and language barriers to accessing services and who live within walking distance of the facility. During the summer months, Hing Hay Park is programmed by Community Center staff. Because of the large senior population, the Life Long Recreation uses this site for senior programming. Although this Center's usage rates are lower than average, it is critical to serving this particular population. The 2013-2014 budgets proposes to maintain these two centers at 2012 operating hours, which means the centers will continue to be open 35 hours per week and offering evening hours.

### **Enhance Downtown Parks**

Additional funding is being provided for staff who work as concierges in downtown parks, with an emphasis on Hing Hay Park. The funding will help to improve programming and public safety at the park and help stem negative behavior. The Concierge program staff set up chairs and chess pieces in the parks each day, assist in setting up concerts and other activities, remove litter and perform minor custodial maintenance, and assist the park rangers in providing visitor information. The combination of the increased activation from the concierge program and the ongoing efforts of the park ranger program are intended to promote positive use of downtown parks and lead to a reduction of vandalism and other crimes.

# Department of Parks and Recreation

## Incremental Budget Changes

### Department of Parks and Recreation

	2013		2014	
	Budget	FTE	Budget	FTE
<b>Total 2012 Adopted Budget</b>	<b>\$ 122,956,412</b>	<b>863.09</b>	<b>\$ 122,956,412</b>	<b>863.09</b>
<b>Baseline Changes</b>				
Citywide Adjustments for Standard Cost Changes	\$ 4,198,498	0.00	\$ 8,233,320	0.00
Increase Funding for New Facilities Costs	\$ 521,204	0.00	\$ 662,621	0.00
Remove One Time Funding	-\$ 329,000	0.00	-\$ 329,000	0.00
Reopen MOHAI	\$ 203,745	0.00	\$ 203,745	0.00
Reopen Rainier Beach Community Center	\$ 733,950	0.00	\$ 1,727,467	0.00
Replace Lost Rental Revenue	\$ 0	0.00	\$ 0	0.00
Replace One Time Funding	\$ 0	0.00	\$ 0	0.00
Add Funding for Building 30 Debt Service	\$ 375,416	0.00	\$ 768,205	0.00
<b>Proposed Policy Changes</b>				
Streamline Teen Life Center Staffing	-\$ 54,615	-0.50	-\$ 56,747	-0.50
Capital Program Position Efficiencies	-\$ 255,078	-2.50	-\$ 264,177	-2.50
Reduce Annual Zoo Payment to Capture Debt Service Obligation	-\$ 54,000	0.00	-\$ 54,000	0.00
Transition Langston Hughes to Office of Arts and Cultural Affairs	-\$ 737,005	-7.09	-\$ 762,257	-7.09
Align Seattle Conservation Corp Budget	-\$ 120,012	-1.00	-\$ 123,916	-1.00
Improve Financial Sustainability of Volunteer Park Conservatory	-\$ 120,331	-1.00	-\$ 122,931	-1.00
Maintenance Efficiencies	-\$ 534,363	-2.00	-\$ 536,578	-2.00
Planning and Development Position Reductions	-\$ 220,936	-1.75	-\$ 228,392	-1.75
Support Staff Reductions	-\$ 88,312	-1.13	-\$ 91,956	-1.13
Add Hours to Selected Community Centers	\$ 276,091	2.25	\$ 284,555	2.25
Increase Community Center Data Project Position to Full Time	\$ 24,425	0.25	\$ 25,150	0.25
Increase Funding for Parks Concierge Program	\$ 60,000	0.00	\$ 60,000	0.00
Increase Partnership Opportunities	\$ 75,000	0.00	\$ 75,000	0.00
Provide Funding for New Challenge Course at Camp Long	\$ 55,000	0.00	\$ 55,000	0.00
Swimming Pool Revenue Increase	\$ 0	0.00	\$ 0	0.00
Support Staff Efficiencies	\$ 19,130	1.00	\$ 20,936	1.00
Continue Additional Hours at International District and Magnolia Community Centers	\$ 107,182	1.00	\$ 109,888	1.00
Add Funding for Peak Season Temporary Maintenance Staff	\$ 200,000	0.00	\$ 200,000	0.00

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Open Belltown Community Center	\$ 166,590	1.50	\$ 172,711	1.50
Utility and Information Technology Increases	\$ 350,400	0.00	\$ 683,132	0.00
Use of Fund Balance	\$ 0	0.00	\$ 0	0.00
<b>Proposed Technical Changes</b>				
Final Citywide Adjustments for Standard Cost Changes	-\$ 251,425	0.00	-\$ 348,328	0.00
Technical Adjustments	\$ 265,109	3.20	\$ 1,696,542	3.20
<b>Total Incremental Changes</b>	<b>\$ 4,866,663</b>	<b>-7.77</b>	<b>\$ 12,059,990</b>	<b>-7.77</b>
<b>2013 - 2014 Proposed Budget</b>	<b>\$ 127,823,074</b>	<b>855.32</b>	<b>\$ 135,016,402</b>	<b>855.32</b>

### Description of Incremental Budget Changes

#### Baseline Changes

#### **Citywide Adjustments for Standard Cost Changes - \$4,198,498**

Citywide technical adjustments made in the "Baseline Phase" reflect changes due to inflation, central cost allocations, retirement, health care, workers' compensation, and employment costs. These adjustments reflect initial assumptions about these costs and inflators early in the budget process.

#### **Increase Funding for New Facilities Costs - \$521,204**

Since 2009, the Department has been developing the projects called for in the 2008 Parks and Open Space Levy (Levy). The Levy did not include funding for the ongoing operation and maintenance of the new facilities, and the General Fund has had to support these increasing costs annually.

#### **Remove One Time Funding - (\$329,000)**

In 2012, the Department received one time funding for additional community center hours (\$100,000), infrared thermal imaging counters at 25 community centers (\$205,000), and one time funds to install parking meters at Lake Union Park (\$4,000). This funding was not intended to be ongoing and is removed in the 2013-2014 Budget. General Fund support is also decreased to recognize new rental revenue from the Department of Neighborhoods related to the consolidation of the Delridge Neighborhood Service Center with the Southwest Community Center in 2012 (\$20,000).

#### **Reopen MOHAI - \$203,745**

MOHAI is scheduled to reopen in November 2012. Per the terms of the operating agreement with the Museum of History and Industry (MOHAI), the City is obligated to provide \$300,000 annually to support a portion of MOHAI's utility and maintenance costs. Parks has \$100,000 of existing budget for MOHAI, and requires an additional \$200,000 starting in 2013.

#### **Reopen Rainier Beach Community Center - \$733,950**

Funding for the Rainier Beach Community Center (RBCC) was eliminated from the Department's budget in 2011 while the facility was being redeveloped. RBCC is scheduled to reopen in September 2013, and funding is being added back to support the center's operations, including the indoor pool. The 2013 budget assumes three months of operating costs and revenues. The 2014 budget assumes a full year of operating costs of \$1.7 million. A total of 10.5 FTE are also being restored. This change is reflected in the Technical Position Adjustments.

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## **Replace Lost Rental Revenue**

The United States Postal Service (USPS) currently rents a parks owned building in the International District. The lease agreement with USPS runs through September 2013 and the lease will not be renewed. This item replaces three months of lost revenue in 2013 (\$45,000) and a full year of revenue in 2014 (\$179,000). The property is scheduled to be developed to expand Hing Hay Park. The project was named in the 2008 Parks and Open Space Levy and construction is scheduled to be complete in 2014.

This change does not decrease expenditure authority in 2013 or 2014. Rather, this adjustment swaps Parks Fund revenues with General Fund, which means the change is reflected on the revenue side of the budget.

## **Replace One Time Funding**

In 2012, the use of alternative funding sources to free up General Fund was used as a budget savings strategy. The 2013-14 Proposed Budget adds back the General Fund to replace the one time use of Parks fund balance, the one-time use of admissions tax to fund arts related programs in Parks, and the use of Volunteer Park Conservatory funds to cover operating cost at the Conservatory. The total impact of this change is approximately \$3.0 million.

This change does not decrease expenditure authority in 2013 or 2014. Rather, this adjustment swaps Parks Fund revenues with General Fund, which means the change is reflected on the revenue side of the budget.

## **Add Funding for Building 30 Debt Service - \$375,416**

The 2012 Adopted Budget and the 2012-2017 Adopted Capital Improvement Program (CIP) included funding for the first of two phases of improvements planned for Building 30 at Magnuson Park. The first phase was planned for 2012, with the second phase following in 2015. However, in early 2012, the decision was made to proceed with both phases of the project in 2012 and 2013 rather than in two phases. This option provides construction efficiencies and lower overall borrowing costs for the project. The \$375,000 in additional funding will fund the increase in debt service costs associated with Phase 2 (Phase 1 debt service costs were already included in the Department's budget). The total debt service in 2013 is about \$587,000, and Parks will cover approximately 50% of the debt service, or \$295,000. Revenues from the renovated facility will cover the remaining \$292,000.

The total cost to fully renovate the building is approximately \$8.5 million. Improvements will include exiting upgrades, unreinforced masonry seismic upgrades, fire suppression sprinklers and fire alarm systems in the hangar and west wing, lighting, heating and ventilation upgrades, an elevator, ADA toilet rooms, and related work, depending on permitting requirements. Water service, natural gas systems, and primary electrical services to the building may also be upgraded to support the building renovations.

In its current condition, the majority of Building 30 is unusable by the community. However, the building has the potential to provide exceptional public space to new and existing tenants like Friends of the Library. The capital investment in the facility is the first step in transforming Building 30. In return, the revenues generated by increased usage will help offset the costs of the capital investment over time; all while providing tremendous benefits to arts and cultural organizations.

## **Proposed Policy Changes**

### **Streamline Teen Life Center Staffing - (\$54,615)/(.50) FTE**

In order to unify the staffing structure at the three Teen Life Centers, this item realigns staff positions at the Garfield Teen Life Center and Southeast Late Night program to better meet program needs and standardize the staffing structure among the centers. This change can be accomplished by abrogating the existing 1.0 FTE Recreation Center Coordinator at the Garfield Teen Life Center and using the savings to add a 0.25 FTE to each of two existing 0.75 FTE Recreation Program Specialist positions. These staffing changes will provide improved support for both the Teen Life Centers and Late Night programs.

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### **Capital Program Position Efficiencies - (\$255,078)/(2.50) FTE**

Two separate capital program changes are made in 2013. First, the Department eliminates one half-time and two full-time, regular positions based on an overall slowdown in the capital improvement program. The slowdown is the result of successive years of REET reductions and the completion of most of the 2000 Park Levy capital projects and a major part of the 2008 Levy-funded capital projects. There are not enough ongoing or anticipated future capital improvement projects to support the current level of staffing, and as the number of projects decrease, permanent staff positions which were created to deliver those projects can be reduced commensurate with the level of projects and related fund sources.

The second change to the Capital Improvement Program (CIP) involves the shifting of \$200,000 in labor costs from the operating budget to the CIP. The change is achievable based on the actual amount of maintenance staff hours billed to the CIP over the past few years. This change does not impact non-CIP related maintenance activities, and the Department does not anticipate any service level impacts from this change.

### **Reduce Annual Zoo Payment to Capture Debt Service Obligation - (\$54,000)**

This item reduces the annual support payment provided to the Woodland Park Zoo by \$54,000. This adjustment will allow the City to capture the Zoo's portion of debt service owed for debt issued when the original parking garage was proposed in 2007. This approach is an administratively seamless way to relieve the Zoo of its debt service obligation.

### **Transition Langston Hughes to Office of Arts and Cultural Affairs - (\$737,005)/(7.09) FTE**

This item transfers the operations of the Langston Hughes Performing Art Center (LHPAC) from the Department of Parks and Recreation to the Office of Arts and Cultural Affairs (OACA).

As part of this transition, staff and other costs associated with operating LHPAC are transferred from Parks to the Office of Arts and Cultural Affairs. Parks will continue to maintain the building and pay utilities. Since OACA is not administratively suited to manage the collection of fees from outside parties, Parks will also continue to oversee this function via their CLASS registration and fee collection system. Revenues will then be transferred to OACA annually.

### **Align Seattle Conservation Corp Budget - (\$120,012)/(1.00) FTE**

The Department reduces the Seattle Conservation Corps budget to better match actual program expenditures and revenues. The Corps provides employment opportunities and access to housing for homeless individuals, and is a revenue backed program with support from contracting agencies both internal and external to the City. Since 2008, the Corps budget has not been fully spent each year, and this change right-sizes the program to better reflect actual spending patterns and needs. This adjustment eliminates one vacant position associated with the Corp, and Parks does not anticipate that the elimination of the positions will impact the Corps' operations or result in race and social justice impacts.

### **Improve Financial Sustainability of Volunteer Park Conservatory - (\$120,331)/(1.00) FTE**

In the 2012 budget, \$50,000 from the Conservatory Donations Account in the Parks Fund was used to fund a consultant study to provide recommendations to help the Conservatory become more financially self sufficient. Since the study is complete, this item removes the budget authority for the work.

The consultant report recommended a reduction in the number of gardener positions, establishment of an admissions fee, and minor building improvements to increase earned and contributed income. This item reflects the recommendation to eliminate the Gardner position for a savings of \$70,000. It brings staffing at the Volunteer Park Conservatory to a level commensurate with peer conservatory institutions elsewhere. It is not anticipated to have any impacts to any service.

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This adjustment also includes the establishment of a \$4 admission fee at the Conservatory. Parks estimates that the new fee will generate about \$105,000 annually. Parks and the Friends of the Conservatory will establish days and/or times when the Conservatory is free, or a waiver program to ensure access for all Seattle residents. The small building improvements involve changes to the layout of the seasonal house and Parks will use existing budget to cover those costs, which are anticipated to generate an additional \$3,000-\$8,000 in revenues.

### **Maintenance Efficiencies - (\$534,363)/(2.00) FTE**

The Department achieves savings through various sustainable maintenance efficiencies. A change in how roof cleaning work is performed results in the elimination of one Maintenance Laborer position and a reduction in temporary labor dollars for a total savings of \$197,000. The work will be undertaken by the new Installation Maintenance Worker (IMW) staff, who can cover a multitude of maintenance needs. These versatile workers are assigned to each of the park resources districts and they allow for a very direct and dispersed approach to various minor repair needs, including the roofs. This is a new strategy being taken in 2013 that will lead to maintenance efficiencies.

Parks also recognizes \$55,000 in savings by reducing one Assistant Facility Maintenance Supervisor (AFMS) to part time. There are currently two Assistant Facility Maintenance Supervisors, each supervising five crew chiefs and then each responsible for other specific duties. This reduction shifts the supervisory responsibility of all the crew chiefs to the remaining AFMS. Parks does not anticipate that this shift will create undue hardship on the remaining AFMS.

The most significant maintenance efficiency is in irrigation. Parks will reduce the amount of water used for irrigation in designated parks to achieve \$250,000 in savings. Turf in Seattle naturally turns brown in the summer; it requires supplemental water to keep it green. The Department will stop watering or reduce watering in designated parks during the irrigation season (June-Sept). There are approximately 300 parks that are irrigated; 30% would remain unaffected, 20-25% would be turned off, and the remainder would have some level of reduction. Designated parks are defined by level of public use and plant tolerance. High use regional parks and downtown parks will not be impacted by this reduction.

In order to prevent irreversible damage from reduced watering, Parks may implement a site rotation in subsequent years to mitigate any long term impacts to the plants. Site and neighborhood rotation may also more equally distribute the impacts of this reduction. The Department will monitor the impacts of change and make adjustments as needed to minimize the impacts.

The Finance and Administrative Services Department (FAS) currently pays Parks for a full time gardener to maintain the landscape around City Hall and the Justice Center. FAS reduces 50% of the funding for this position in 2013 resulting in Parks reducing the position to part time. The position currently maintains the green space around the buildings, including the green roofs, trees, shrubs, and interior plants. To minimize the impacts of this reduction, FAS will prioritize work tasks to focus on basic plant maintenance in spaces open to or visible to the public.

### **Planning and Development Position Reductions - (\$220,936)/(1.75) FTE**

A vacant Manager 3 position is eliminated in 2013. This position was responsible for providing support for planning and management for the Planning and Development Division. The reduction is based on the slowdown in capital improvement projects, and the position is no longer necessary.

A second change in the Planning and Development division includes the elimination of an Administrative Specialist I position and reclassification of a Manager 2 position to a Real Property Agent. The Administrative Specialist provides administrative support to the Real Estate Management Unit and the Manager 2 position provides approximately 25% of the overall real property management services for which the division is responsible

This action results in reduced administrative capacity in the Real Estate Management Unit, which will occasionally result in professional staff needing to do more administrative work. In addition, existing administrative staff

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within the Planning and Development Division may occasionally need to provide support to the Real Estate Management Unit. The reclassification of the Manager 2 position (which will be vacant in late 2012 when the incumbent retires) may result in a reduction in technical knowledge. The Manager 2 position is relied upon for handling major real estate special projects such as building and land purchases and exchanges, resolution of parks property encroachment issues, building rental negotiations, employee moves, transfers of jurisdiction, resolution of interdepartmental and interagency property issues, etc. As a result of this reclassification, the remaining Manager 2 and the Sr. Real Property Agents may need to assist with some of the higher level property management work previously done by the Manager. Overall, this reduction will not result in significant impacts and staff will work more strategically to absorb the higher level property management tasks.

### **Support Staff Reductions - (\$88,312)/(1.13) FTE**

The Department reduces staff resources within the payroll section of the Accounting division. The Department will lose capacity to provide accounting and payroll support services to other divisions and will function with reduced capacity to prepare payroll related personnel documents and provide updated human resources information on employee salaries and benefits. Overall response times for accounting services may be slower, but the Department does not anticipate significant service level changes from this reduction.

A part time Delivery Worker position is eliminated in 2013. This position is responsible for making the daily interoffice mail delivery to approximately ten different Park Department locations. This work will be assigned to maintenance laborers in Special Event Crew's who already travel between parks locations and can add picking up the mail to their daily routes.

### **Add Hours to Selected Community Centers - \$276,091/2.25 FTE**

In order to provide additional late night hours Friday evenings and Saturday afternoons and evenings for at-risk youth, hours at seven community centers will be expanded by 10 hours per week in the 2013-2014 Proposed Budget. Data-driven analysis shows that the seven community centers that would receive funding under this proposal serve a large proportion of at-risk youth relative to other community centers. In order to implement the expanded hours, increased staffing is necessary. These extended hours offer youth a safe place to go with caring adults where they can play and record music in a studio, learn job skills, participate in sports tournaments, create wearable art and much more. For the three sites that are presently classified as Tier 2b (Ballard, Miller and Van Asselt) the 0.5 Recreation Center Coordinator and Recreation Attendant positions increase from .5 to .75, and a new part-time Maintenance Laborer (custodian) position is added.

For the four sites that are classified as Tier 2a sites (Delridge, Miller, South Park and Yesler) , the 0.75 Recreation Leader positions will be increased to full-time positions and funding is added for temporary recreation attendant hours for expanded hours and special events. In addition, \$33,000 is allocated to provide for temporary intermittent maintenance laborer hours at all six sites for improved custodial care.

### **Increase Community Center Data Project Position to Full Time - \$24,425/.25 FTE**

In response to the reorganization of community centers in 2012, the 'Data Project' was established in the Recreation Division with the goal of collecting, organizing, and measuring information on programs and facility use that would help guide future programming, facility use and resource allocation. The project also includes installation and monitoring of the infrared thermal imaging counters in community centers. The Data Project will allow the Department to evaluate community center performance over the long-term and ultimately inform community center management decisions. The Data Project was assigned to an existing .75 FTE Strategic Advisor 1 in 2012 who is responsible for accounting and budget preparation work. The Department has found that the existing position is not able to absorb this new body of work without additional resources and is therefore proposing to increase the position to full-time. In addition to the position's current responsibilities, the additional resources will allow for more focused data collection and budget preparation for Outdoor Youth programs, Special Events, Environmental Learning Centers, and the Japanese Gardens operations; as well as developing organizational capabilities for data gathering and evaluation across the Department's separate data collection systems (CLASS and People Counters).

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## **Increase Funding for Parks Concierge Program - \$60,000**

Additional funding is being provided for intermittent staff who work as concierges in downtown parks, with an emphasis on Hing Hay Park. The funding will help to improve programming and public safety at the park and help stem negative behavior. The Concierge program staff set up chairs and chess pieces in the parks each day, assist in setting up concerts and other activities, remove litter and perform minor custodial maintenance, and assist the park rangers in providing visitor information. The program works in tandem with the park ranger program.

The combination of the increased activation from the concierge program and the ongoing efforts of the park ranger program are intended to promote positive use of downtown parks and lead to a reduction of vandalism and other crimes. This change will improve park safety and cleanliness and help reduce park code enforcement issues in downtown parks and will also expand the program to Hing Hay Park.

## **Increase Partnership Opportunities - \$75,000**

The 2013-2014 Proposed Budget includes funding to allow the Associated Recreation Council (ARC) to expand its fundraising activities on behalf of the Seattle parks system. As the City continues to face constrained financial resources, efforts to leverage additional financial support for Parks helps the City sustain this important community resource. ARC, with its existing relationships with the business community and other private sector donors, is better positioned to leverage this support.

## **Provide Funding for New Challenge Course at Camp Long - \$55,000**

This item increases appropriation authority for the new Challenge Course at Camp Long. The Challenge Course is a new facility constructed in 2011 and 2012 at Camp Long with funding from three different grants. It consists of high platforms, interconnected activities, routes on slim beams, wobbly steps as well as swings and ropes to clutch onto or walk upon. Revenues are expected to fully cover the cost to operate the Challenge Course making this a budget neutral budget change. If revenues do not come in as anticipated, the Department will reduce a commensurate amount of costs.

## **Swimming Pool Revenue Increase**

The Department will increase swimming pool fees to generate \$300,000 in additional revenues. Most of the fee increases are very modest, ranging from \$.50 for recreational swimming, lessons, and fitness classes to \$2 for private lessons. The biggest changes include a \$10 increase on swimming lessons for summer swim leagues and a 20% increase on rentals. The proposed 2013-2014 fees are generally comparable to 2012 regional swimming pool fees in similar categories.

This change does not decrease expenditure authority in 2013 or 2014. Rather, this adjustment swaps Parks Fund revenues with General Fund, which means the change is reflected on the revenue side of the budget.

## **Support Staff Efficiencies - \$19,130/1.00 FTE**

In 2013, DPR reallocates resources and modifies work duties within Parks' Human Resources Unit to operate more efficiently and effectively, and reduces non-personnel expenses across the Finance and Administration Division for a total savings of \$58,000. This change involves the elimination of one part-time position and an increase in two other part-time positions to full-time. As such the overall unit's FTE remains the same but the number of positions is reduced by one. This change will better align current resources with priority areas such as employee safety while efficiently meeting the unit's communication, administration and retention responsibilities.

A second staffing efficiency is made in event scheduling at Magnuson Park. Events at Magnuson Park are currently coordinated by a .50 Parks Special Events Scheduler. Due to the high volume of work and event bookings campus wide (average of 334 per year for the last three years) this position has worked full-time. This change increases a .50 Special Event Scheduler to full-time at a total cost of \$33,000. Department will use existing funds to cover the increased staffing cost which makes this change budget neutral.

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A staffing change is also made to the sailing and rowing centers. In 2010, the Green Lake Small Craft Center and Mount Baker Rowing & Sailing Center each had a one Recreation Leader, in addition to a Sr. Recreation Program Specialist. As a budget savings strategy in 2011, the two Recreation Leader positions were eliminated and two part-time Recreation Attendants were added. The Department has been struggling to make the reductions work over the past two years, and it has become apparent that the current staffing level is not sufficient to run the program and operate the facilities. The 2013-2014 Proposed Budget adds \$77,000 for a 0.50 FTE Recreation Program Specialist and for additional temporary staff to work between the two small craft centers. This position is needed to provide additional program management and supervision, more effective office management, support on higher level projects, and coverage when the Sr. Recreation Program Specialists are away from the site.

### **Continue Additional Hours at International District and Magnolia Community Centers - \$107,182/1.00 FTE**

One-time contingency funding was provided to the Department in 2012 as the community center model was being implemented. The funds were to be used at centers that needed additional hours based on actual usage. After a few months of operating under the new model, the Department determined that the International District and Magnolia Community Centers had usage patterns that justified additional operating hours. The Magnolia Community Center has some of the highest use number. The International District Community Center serves a unique population that has few other recreation options. The 2012 funding allowed each community center to stay open for 10 additional hours per week.

The 2013-2014 Proposed Budget includes funding to maintain these expanded hours, allowing them to stay open 35 hours per week and to offer evening hours. Funding supports an increase in the Recreation Center Coordinator and Recreation Attendant positions from .5 to .75, consistent with current funding and staffing. An additional \$22,000 is provided for enhanced custodial services.

### **Add Funding for Peak Season Temporary Maintenance Staff - \$200,000**

The 2013 budget adds \$200,000 for temporary/intermittent peak season labor in the parks resources district crews. The additional funding will allow for a partial restoration of the grounds maintenance activities that were reduced in prior year budgets. This funding will allow for a flexible response to address peak season workload.

The available use of more temporary labor by the parks resource crews will result in more efficient grounds maintenance activities in parks across the city. The appearance, safety, and cleanliness of parks will improve with increased attention to litter control, mowing and trimming, and leaf removal.

### **Open Belltown Community Center - \$166,590/1.50 FTE**

This item adds positions to staff the new Belltown Community Center. These expenses will be reimbursed by the Associated Recreation Council (ARC). Originally ARC had intended to operate the Center themselves, but DPR and ARC later agreed that it was more appropriate to operate the Center with City staff, similar to how other community centers operate.

This model provides consistency across the centers and reduces any potential labor impacts. ARC will reimburse Parks for all staff and operating supply costs. The center will be operated in the same way as the existing community center '2b' sites, which are open 25 hours per week and require three part-time positions and funding for temporary staff to oversee facility rentals.

### **Utility and Information Technology Increases - \$350,400**

Due to increases in several utility costs, including natural gas, drainage, electricity, and sewer, the 2013 budget increases the utility budget for DPR. The Department practices strict conservation efforts in parks and recreation facilities, however, the unanticipated rate increases have created funding pressures that the Department was not able to manage without additional General Fund support.

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Funding is also provided to cover increased information technology costs related to the mandatory upgrade to Windows Software Assurance with MDOP. As computers are replaced as part of the ongoing annual replacement schedule, the new software is being installed. The cost of the software licenses is spread over three years, and every three years the licenses need to be renewed. This adjustment provides funding to upgrade 548 licenses in 2013 and 2014. The Department of Information Technology (DoIT) will cover the cost of an additional 206 licenses in 2013. DPR will cover the cost of these computers in future years. This item also includes \$30,000 to train DPR staff so that the upgrade can be performed internally rather than via a consultant.

### **Use of Fund Balance**

The Department ended 2011 with higher than anticipated fund balance and will use \$1.6 million in 2013 and \$650,000 in 2014 to offset General Fund support. This change does not decrease expenditure authority in 2013 or 2014. Rather, this adjustment swaps Parks Fund balance with General Fund, which means the change is reflected on the revenue side of the budget.

### **Proposed Technical Changes**

#### **Final Citywide Adjustments for Standard Cost Changes - (\$251,425)**

Citywide technical adjustments made in the "Proposed Phase" reflect changes due to inflation, central cost allocations, retirement, health care, workers' compensation, and unemployment costs. These adjustments typically reflect updates to preliminary cost assumptions established in the "Baseline Phase."

#### **Technical Adjustments - \$265,109/3.20 FTE**

Technical adjustments in the 2013-2014 Proposed Budget include departmental and citywide non-programmatic adjustments that do not represent fundamental changes in DPR's service delivery. The Department adjusts revenue and expense budgets between or within Budget Control Levels (BCLs) to better reflect actual spending patterns. The technical adjustments also include the transferring of several lines of businesses to different BCLs to more accurately represent where program dollars are being spent.

The changes include adjustments to line items to account for revisions in salaries related to reclassifications or APEX-SAM salary adjustments. They also correct prior year expense and revenue budgets by BCL and account group to align with actual usage. The recreation revenue estimate is also adjusted based on 2011 actual revenues. This change increases the recreation revenue estimate by \$330,000 and decreases general fund revenue by the same amount. An adjustment to the golf budget to account for revised revenue and expenditure forecasts is also reflected in the changes.

Technical adjustments are also required to add positions for Rainier Beach Pool and Community Center to match the funding already assumed in the 2013-2014 baseline budget. Rainier Beach Pool and Community Center closed December 2010; the facility was demolished and a new pool and community center will open in 2013. All full-time positions associated with these two facilities were eliminated during the 2011-12 budget process. This action adds back the positions needed to operate the new pool and community center.

The changes also include the elimination of Aquarium positions that transferred over to the Seattle Aquarium Society (SEAS) in 2012 per the agreement between the City and SEAS to transfer all city funded Aquarium staff to SEAS over a five year period starting in 2010.

## Department of Parks and Recreation

### Expenditure Overview

Appropriations	Summit Code	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Environmental Learning and Programs Budget Control Level	K430A	3,687,006	3,747,150	1,544,716	1,648,180
Facility and Structure Maintenance Budget Control Level	K320A	12,883,788	13,616,591	14,642,971	15,200,448
Finance and Administration Budget Control Level	K390A	9,579,786	7,885,329	7,975,440	8,247,209
Golf Budget Control Level	K400A	8,823,468	9,417,669	9,561,340	11,173,584
Golf Capital Reserve Budget Control Level	K410A	165,229	0	0	0
Judgment and Claims Budget Control Level	K380A	1,408,196	1,143,365	559,182	654,302
Natural Resources Management Budget Control Level	K430B	6,268,542	6,599,106	6,935,364	7,137,144
Park Cleaning, Landscaping, and Restoration Budget Control Level	K320B	23,898,461	26,356,978	29,317,459	30,537,538
Planning, Development, and Acquisition Budget Control Level	K370C	6,173,681	6,250,827	5,992,858	6,193,819
Policy Direction and Leadership Budget Control Level	K390B	3,525,858	5,000,018	6,375,235	6,944,151
Recreation Facilities and Programs Budget Control Level	K310D	21,496,166	21,042,061	22,513,853	23,500,016
Seattle Aquarium Budget Control Level	K350A	3,759,465	3,875,585	3,340,125	3,460,178
Seattle Conservation Corps Budget Control Level	K320C	3,329,936	3,913,185	3,941,751	4,051,180
Swimming, Boating, and Aquatics Budget Control Level	K310C	7,460,860	7,520,821	8,457,299	9,448,624
Woodland Park Zoo Budget Control Level	K350B	6,327,561	6,587,726	6,665,481	6,820,029
<b>Department Total</b>		<b>118,788,003</b>	<b>122,956,412</b>	<b>127,823,074</b>	<b>135,016,402</b>
<b>Department Full-time Equivalent Total*</b>		<b>890.89</b>	<b>863.09</b>	<b>856.07</b>	<b>856.07</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.

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### Revenue Overview

#### 2013 Estimated Revenues

Summit Code	Source	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
433010	Community Development Block Grant	0	0	508,000	508,000
462400	ST Space Facilities Rentals	4,129,715	3,467,684	4,000,062	4,712,138
462500	LT Space/Facilities Leases	479,371	495,680	554,741	554,741
462800	Concession Proceeds	88,467	80,000	80,000	80,000
462900	Rents and Use Charges	299,760	378,979	378,979	378,979
469100	Salvage Sales	48,637	0	0	0
469400	Judgments & Settlements	26,032	0	0	0
469970	Telephone Commission Revenue	594	1,300	1,300	1,300
499999	Miscellaneous Revenue	0	0	0	0
	<b>Total Miscellaneous Revenue</b>	<b>5,072,576</b>	<b>4,423,643</b>	<b>5,523,082</b>	<b>6,235,158</b>
441710	Sales of Merchandise	86,853	24,884	24,884	24,884
441990	Miscellaneous Charges & Fees	295,679	259,026	259,026	259,026
443870	Resource Recover Revenues	4,881,516	4,848,042	5,384,744	5,510,919
447300	Recreational Activity Fees	9,449,512	10,040,351	9,640,472	11,850,470
447350	Recreation Shared Revenues – ARC	379,511	817,565	831,365	831,365
447450	Recreation admission fees	2,033,342	1,790,256	2,171,378	2,171,378
447500	Exhibit Admission Fees	26,518	274,972	378,972	378,972
447550	Athletic Facility Fees	2,635,264	2,325,867	2,667,363	2,668,337
447600	Program Fees	2,792,631	2,455,336	2,721,026	2,721,752
462300	Parking Fees	0	104,792	104,792	104,792
469990	Miscellaneous Revenue	72,716	161,771	133,365	127,850
543970	Charges to Other City Dept	1,572,169	278,890	278,890	278,890
569990	Miscellaneous Revenue	1,033,132	1,207,041	75,470	75,470
	<b>Total Charges for Services</b>	<b>25,258,843</b>	<b>24,588,793</b>	<b>24,671,747</b>	<b>27,004,105</b>
587001	General Subfund Support	78,129,409	81,463,581	85,480,087	90,966,675
	<b>Total General Subfund Support</b>	<b>78,129,409</b>	<b>81,463,581</b>	<b>85,480,087</b>	<b>90,966,675</b>
433010	Federal Grants	63,222	0	0	0
434010	State Grants	10,541	0	0	0
439090	Private Contributions	265,669	441,400	452,400	452,400
	<b>Total Intergovernmental</b>	<b>339,431</b>	<b>441,400</b>	<b>452,400</b>	<b>452,400</b>
587900	Transfer from Donations Fund	100,842	209,000	0	0
587900	Transfers from CRS & Parks Levy	8,849,014	10,193,350	10,601,758	10,201,062
	<b>Total Transfer from City Funds</b>	<b>8,949,856</b>	<b>10,402,350</b>	<b>10,601,758</b>	<b>10,201,062</b>
	<b>Total Revenues</b>	<b>117,750,115</b>	<b>121,319,767</b>	<b>126,729,074</b>	<b>134,859,400</b>
379100	Use of Fund Balance	1,035,945	1,636,645	1,602,000	665,000
	<b>Total Use of Fund Balance</b>	<b>1,035,945</b>	<b>1,636,645</b>	<b>1,602,000</b>	<b>665,000</b>
	<b>Total Resources</b>	<b>118,786,060</b>	<b>122,956,412</b>	<b>128,331,074</b>	<b>135,524,400</b>

## Department of Parks and Recreation

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

#### Environmental Learning and Programs Budget Control Level

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

Program Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Environmental Learning and Programs	3,687,006	3,747,150	1,544,716	1,648,180
<b>Total</b>	<b>3,687,006</b>	<b>3,747,150</b>	<b>1,544,716</b>	<b>1,648,180</b>
Full-time Equivalents Total*	32.44	32.19	14.77	14.77

\* 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.

#### Facility and Structure Maintenance Budget Control Level

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

Program Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Facility and Structure Maintenance	12,883,788	13,616,591	14,642,971	15,200,448
<b>Total</b>	<b>12,883,788</b>	<b>13,616,591</b>	<b>14,642,971</b>	<b>15,200,448</b>
Full-time Equivalents Total*	110.74	108.24	110.56	110.56

\* 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.

#### Finance and Administration Budget Control Level

The purpose of the Finance and Administration Budget Control Level is to provide the financial, technological, and human resources support necessary to provide effective delivery of the Department's services.

Program Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Finance and Administration	9,579,786	7,885,329	7,975,440	8,247,209
<b>Total</b>	<b>9,579,786</b>	<b>7,885,329</b>	<b>7,975,440</b>	<b>8,247,209</b>
Full-time Equivalents Total*	54.00	52.50	43.00	43.00

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## Department of Parks and Recreation

### **Golf Budget Control Level**

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

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Golf	8,823,468	9,417,669	9,561,340	11,173,584
<b>Total</b>	<b>8,823,468</b>	<b>9,417,669</b>	<b>9,561,340</b>	<b>11,173,584</b>
Full-time Equivalents Total*	25.00	25.00	24.00	24.00

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### **Golf Capital Reserve Budget Control Level**

The purpose of the Golf Capital Reserve Budget Control Level is to transfer resources from the Parks and Recreation Fund to the Cumulative Reserve Subfund to provide for previously identified Golf Program capital projects. There are no staff or program services delivered through this program.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Golf Capital Reserve	165,229	0	0	0
<b>Total</b>	<b>165,229</b>	<b>0</b>	<b>0</b>	<b>0</b>

### **Judgment and Claims Budget Control Level**

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

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Judgment and Claims	1,408,196	1,143,365	559,182	654,302
<b>Total</b>	<b>1,408,196</b>	<b>1,143,365</b>	<b>559,182</b>	<b>654,302</b>

## Department of Parks and Recreation

### Natural Resources Management Budget Control Level

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

Program Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Natural Resources Management	6,268,542	6,599,106	6,935,364	7,137,144
<b>Total</b>	<b>6,268,542</b>	<b>6,599,106</b>	<b>6,935,364</b>	<b>7,137,144</b>
Full-time Equivalents Total*	58.74	56.74	55.24	55.24

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

The purpose of the Park Cleaning, Landscaping, and Restoration Budget Control Level is to provide custodial, landscape, and forest maintenance and restoration services in an environmentally sound fashion to provide park users with safe, useable, and attractive park areas.

Program Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Park Cleaning, Landscaping, and Restoration	23,898,461	26,356,978	29,317,459	30,537,538
<b>Total</b>	<b>23,898,461</b>	<b>26,356,978</b>	<b>29,317,459</b>	<b>30,537,538</b>
Full-time Equivalents Total*	203.84	211.74	222.91	222.91

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

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

Program Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Planning, Development, and Acquisition	6,173,681	6,250,827	5,992,858	6,193,819
<b>Total</b>	<b>6,173,681</b>	<b>6,250,827</b>	<b>5,992,858</b>	<b>6,193,819</b>
Full-time Equivalents Total*	53.60	45.90	41.65	41.65

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## Department of Parks and Recreation

### Policy Direction and Leadership Budget Control Level

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

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Policy Direction and Leadership	3,525,858	5,000,018	6,375,235	6,944,151
<b>Total</b>	<b>3,525,858</b>	<b>5,000,018</b>	<b>6,375,235</b>	<b>6,944,151</b>
Full-time Equivalents Total*	23.50	30.25	41.25	41.25

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### Recreation Facilities and Programs Budget Control Level

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

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Recreation Facilities and Programs	21,496,166	21,042,061	22,513,853	23,500,016
<b>Total</b>	<b>21,496,166</b>	<b>21,042,061</b>	<b>22,513,853</b>	<b>23,500,016</b>
Full-time Equivalents Total*	207.41	182.41	188.57	188.57

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### Seattle Aquarium Budget Control Level

The purpose of the Seattle Aquarium Budget Control Level is to provide exhibits and environmental educational opportunities that expand knowledge of, inspire interest in, and encourage stewardship of the aquatic wildlife and habitats of Puget Sound and the Pacific Northwest.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Seattle Aquarium	3,759,465	3,875,585	3,340,125	3,460,178
<b>Total</b>	<b>3,759,465</b>	<b>3,875,585</b>	<b>3,340,125</b>	<b>3,460,178</b>
Full-time Equivalents Total*	50.50	47.00	38.50	38.50

*\* 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

### Seattle Conservation Corps Budget Control Level

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

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Seattle Conservation Corps	3,329,936	3,913,185	3,941,751	4,051,180
<b>Total</b>	<b>3,329,936</b>	<b>3,913,185</b>	<b>3,941,751</b>	<b>4,051,180</b>
Full-time Equivalents Total*	19.55	19.55	18.55	18.55

*\* 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.*

### Swimming, Boating, and Aquatics Budget Control Level

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

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Swimming, Boating, and Aquatics	7,460,860	7,520,821	8,457,299	9,448,624
<b>Total</b>	<b>7,460,860</b>	<b>7,520,821</b>	<b>8,457,299</b>	<b>9,448,624</b>
Full-time Equivalents Total*	51.57	51.57	57.07	57.07

*\* 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.*

### Woodland Park Zoo Budget Control Level

The purpose of the Woodland Park Zoo Budget Control Level is to provide care for animals and offer exhibits, educational programs, and appealing visitor amenities so Seattle residents and visitors have the opportunity to enjoy and learn about animals and wildlife conservation.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Woodland Park Zoo	6,327,561	6,587,726	6,665,481	6,820,029
<b>Total</b>	<b>6,327,561</b>	<b>6,587,726</b>	<b>6,665,481</b>	<b>6,820,029</b>

## Department of Parks and Recreation

### Parks and Recreation Fund Table

#### Park and Recreation Fund (10200)

	2011 Actuals	2012 Adopted	2012 Revised	2013 Proposed	2014 Proposed
<b>Beginning Fund Balance</b>	<b>8,266,826</b>	<b>3,784,320</b>	<b>7,117,090</b>	<b>4,765,090</b>	<b>3,163,090</b>
Accounting and Technical Adjustments	-111,848	0	0	0	0
Plus: Actual and Estimated Revenues	117,750,115	121,319,767	119,284,000	126,221,074	134,351,400
Less: Actual and Budgeted Expenditures	118,788,003	122,956,412	121,636,000	127,823,074	135,016,402
<b>Ending Fund Balance</b>	<b>7,117,090</b>	<b>2,147,675</b>	<b>4,765,090</b>	<b>3,163,090</b>	<b>2,498,088</b>
Known Liabilities			1,000,000	1,000,000	1,000,000
Westbridge Debt		829,300	829,300	829,000	804,000
<b>Total Reserves</b>		<b>829,300</b>	<b>1,829,300</b>	<b>1,829,000</b>	<b>1,804,000</b>
<b>Ending Unreserved Fund Balance</b>	<b>7,117,090</b>	<b>1,318,375</b>	<b>2,935,790</b>	<b>1,334,090</b>	<b>694,088</b>

# Department of Parks and Recreation

## Capital Improvement Program Highlights

The 2013 CIP reflects a wide range of projects. With \$39.4 million appropriated in 2013, Parks will continue to have a robust capital improvement program, despite the economic downturn. The 2008 Parks Levy provides \$3.9 million of this funding, in addition to the \$109 million appropriated from the Levy through 2012. The Cumulative Reserve Subfund (CRS) appropriation for the Department is \$15.6 million in 2013, of which \$13.8 million is REET funding for capital projects.

Capital maintenance is a vital component of Parks' Capital Improvement Program, with \$17.3 million funded in 2013. Of this amount, \$1.6 million is for projects funded by the 2008 Parks Levy. This funding addresses basic infrastructure across the Parks system, such as electrical system replacement, environmental remediation, landscape restoration, irrigation system replacement, and replacing major roof and HVAC systems. Work at the Seattle Aquarium will continue to address Pier 60 corrosion and pier piling problems and the Aquarium itself is funding renovation of the Harbor Seal Exhibit.

Funding has been increased in 2013 and 2014 by \$500,000 for the Urban Forestry- Green Seattle Partnership project (GSP). The GSP receives between \$900,000-\$1.3 million annually through a combination of 2008 Parks Levy funds and REET. When the Levy ends in 2014, funding for the GSP will be reduced to about \$583,000. The added REET funding in 2013 and 2014 will enhance the program over the next two years and then ensure that the program will be able to maintain current reforestation goals beyond 2014.

Parks will use federal Community Development Block Grant (CDBG) funds for the Seattle Conservation Corps in 2013 and 2014 and for accessibility improvements in 2014. The Seattle Conservation Corps (SCC) executes Parks improvement projects in low-income neighborhoods, while at the same time provides training and employment for formerly homeless adults. In 2013, \$508,000 will be used to fund the SCC to improve approximately 15 parks. In 2014, the SCC program will be expanded with \$300,000 in additional CDBG funds, bringing the total to \$808,000, to improve approximately 25 parks. In order to make parks more accessible to all residents, \$732,000 in CDBG funds will be used in 2014 to remove architectural and material barriers that restrict the mobility and accessibility of elderly or severely disabled persons in public facilities in parks throughout the City.

The 2013 CIP also includes funding for the renovation and expansion of an existing parking facility at the Woodland Park Zoo. Per terms of the original management agreement between the City and the Zoo, the City is obligated to support the development of a parking facility at the Zoo. Costs are to be shared 75%/25%. The Zoo estimates that the project will cost approximately \$2.7 million, and the City will cover 75%, or up to \$2 million.

The project provides for the development of a 180 space parking lot on the West side of the Zoo to help reduce parking and congestion on neighborhood streets. It will be funded with REET.

Of the 59 development projects funded by the 2008 Levy, 42 will be completed by 2013 and most of the rest underway. Most of these projects are play area renovations and neighborhood park developments. In 2012, implementation will continue for the environmental projects; restoration of forests, trails, wetlands, and shorelines; and development for P-Patches and shoreline access.

Park development continues for reservoir lids at Maple Leaf and West Seattle. Construction of the new Rainier Beach Community Center and Pool is expected to be completed in 2013. Also in 2013, the City will continue implementation of the Golf Master Plan which will provide major improvements at three City-owned golf courses (Jackson, Jefferson, and West Seattle), including building replacements, driving ranges, cart path improvements, and course and landscaping renovation. Future revenue from the golf courses will cover associated debt service payments. These improvements are being phased over six or more years.

One remaining 2000 Pro Parks Levy acquisition remains to be completed, and acquisition of new neighborhood parks and green spaces continues with 2008 Parks Levy funding. The 2013-2018 Proposed CIP includes bond funding for completion of the Rainier Beach Community Center (\$6.6 million), Golf Master Plan Implementation (\$7.4 million) and Magnuson Park Building 30 Renovation (\$5.2 million).

Additional information on the Parks CIP can be found in the 2013-2018 Adopted CIP online here:  
<http://www.seattle.gov/financedepartment/12proposedbudget/default.htm>

# Department of Parks and Recreation

## Capital Improvement Program Appropriation

Budget Control Level	2013 Proposed	2014 Proposed
<b>2008 Parks Levy - P-Patch Development: K720031</b>		
2008 Parks Levy Fund	427,000	0
<b>Subtotal</b>	<b>427,000</b>	<b>0</b>
<b>2008 Parks Levy- Forest &amp; Stream Restoration: K720030</b>		
2008 Parks Levy Fund	330,000	426,000
<b>Subtotal</b>	<b>330,000</b>	<b>426,000</b>
<b>2008 Parks Levy- Green Space Acquisition: K720011</b>		
2008 Parks Levy Fund	750,000	95,000
<b>Subtotal</b>	<b>750,000</b>	<b>95,000</b>
<b>2008 Parks Levy- Major Parks: K720023</b>		
2008 Parks Levy Fund	78,000	0
<b>Subtotal</b>	<b>78,000</b>	<b>0</b>
<b>2008 Parks Levy- Neighborhood Park Acquisition: K720010</b>		
2008 Parks Levy Fund	300,000	300,000
<b>Subtotal</b>	<b>300,000</b>	<b>300,000</b>
<b>2008 Parks Levy- Neighborhood Parks and Playgrounds: K720020</b>		
2008 Parks Levy Fund	1,900,000	5,700,000
<b>Subtotal</b>	<b>1,900,000</b>	<b>5,700,000</b>
<b>2008 Parks Levy- Shoreline Access: K720032</b>		
2008 Parks Levy Fund	75,000	75,000
<b>Subtotal</b>	<b>75,000</b>	<b>75,000</b>
<b>Ballfields/Athletic Courts/Play Areas: K72445</b>		
Cumulative Reserve Subfund - REET I Subaccount (00163)	171,000	514,000
Cumulative Reserve Subfund - REET II Subaccount (00161)	802,000	1,356,000
Cumulative Reserve Subfund - Unrestricted Subaccount (00164)	0	305,000
<b>Subtotal</b>	<b>973,000</b>	<b>2,175,000</b>
<b>Building Component Renovations: K72444</b>		
2013 Multipurpose LTGO Bond Fund	11,815,000	0
Community Development Block Grant Fund	0	732,000
Cumulative Reserve Subfund - REET I Subaccount (00163)	2,329,000	3,643,000
Cumulative Reserve Subfund - REET II Subaccount (00161)	2,331,000	1,608,000
Cumulative Reserve Subfund - Unrestricted Subaccount (00164)	140,000	840,000

## Department of Parks and Recreation

<b>Subtotal</b>	<b>16,615,000</b>	<b>6,823,000</b>
<b>Citywide and Neighborhood Projects: K72449</b>		
Cumulative Reserve Subfund - REET II Subaccount (00161)	1,203,000	955,000
<b>Subtotal</b>	<b>1,203,000</b>	<b>955,000</b>
<b>Debt Service and Contract Obligation: K72440</b>		
Cumulative Reserve Subfund - REET I Subaccount (00163)	802,000	803,000
Cumulative Reserve Subfund - REET II Subaccount (00161)	1,701,000	2,018,000
Cumulative Reserve Subfund - Unrestricted Subaccount (00164)	1,331,000	1,611,000
<b>Subtotal</b>	<b>3,834,000</b>	<b>4,432,000</b>
<b>Debt Service and Contract Obligations: K72440</b>		
2013 Multipurpose LTGO Bond Fund	7,371,000	0
Gasworks Park Contamination Remediation Fund	70,000	0
<b>Subtotal</b>	<b>7,441,000</b>	<b>0</b>
<b>Docks/Piers/Floats/Seawalls/Shorelines: K72447</b>		
Beach Maintenance Trust Fund	25,000	25,000
Cumulative Reserve Subfund - REET II Subaccount (00161)	1,122,000	1,122,000
Cumulative Reserve Subfund - Unrestricted Subaccount (00164)	60,000	60,000
<b>Subtotal</b>	<b>1,207,000</b>	<b>1,207,000</b>
<b>Forest Restoration: K72442</b>		
Cumulative Reserve Subfund - REET I Subaccount (00163)	375,000	793,000
Cumulative Reserve Subfund - REET II Subaccount (00161)	989,000	571,000
Cumulative Reserve Subfund - Unrestricted Subaccount (00164)	98,000	101,000
<b>Subtotal</b>	<b>1,462,000</b>	<b>1,465,000</b>
<b>Parks Infrastructure: K72441</b>		
Community Development Block Grant Fund	508,000	808,000
Cumulative Reserve Subfund - REET II Subaccount (00161)	1,008,000	475,000
Cumulative Reserve Subfund - Unrestricted Subaccount (00164)	2,146,000	0
<b>Subtotal</b>	<b>3,662,000</b>	<b>1,283,000</b>
<b>Pools/Natatorium Renovations: K72446</b>		
Cumulative Reserve Subfund - REET II Subaccount (00161)	125,000	0
<b>Subtotal</b>	<b>125,000</b>	<b>0</b>
<b>West Point Settlement Projects: K72982</b>		
Shoreline Park Improvement Fund	190,000	0
<b>Subtotal</b>	<b>190,000</b>	<b>0</b>
<b>Total Capital Improvement Program Appropriation</b>	<b>40,572,000</b>	<b>24,936,000</b>

# Seattle Center

Robert Nellams, Director

Department Information Line: (206) 684-7200  
On the Web at: <http://www.seattlecenter.com/>



## Department Overview

Seattle Center is home to cultural and education 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 mission is to delight and inspire the human spirit, and to bring people together as a rich and varied community.

The history of Seattle Center dates back to a time well before the organization existed as a City department in its current form. Prior to the 1850's, 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, until recently called the Center House, was constructed. In 1948, the Memorial Stadium was built, with the Memorial Wall 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, the 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

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 charges to private clients for facility rentals, parking fees, long-term leases to non-profit organizations, sponsorships, and monorail fares.

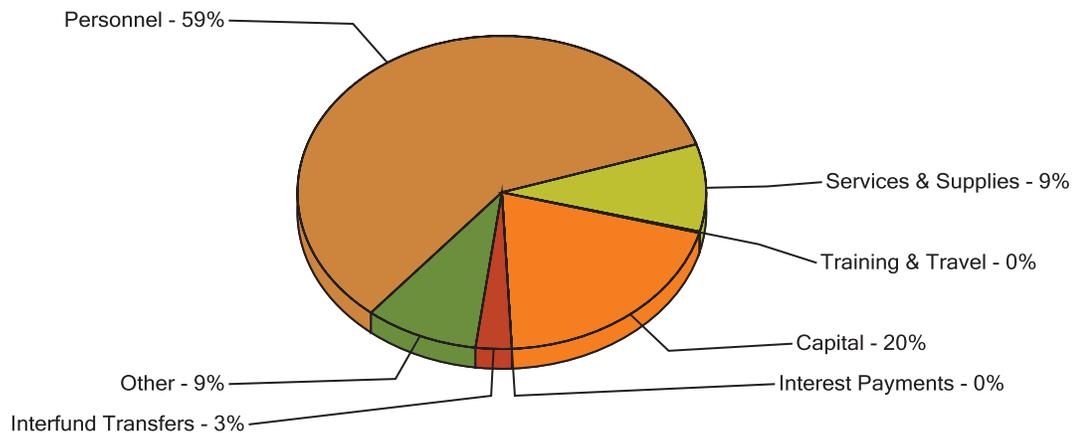
Due to its heavy reliance on commercial revenues, Seattle Center faces many of the same financial challenges confronting other businesses. Consumer preferences, fluctuating demand, and competition for customer discretionary spending all influence the financial performance of the Seattle Center. Over the next biennium, the Seattle Center will face financial pressures in several areas including market competition with competing facilities, financial challenges of long-term, non-profit tenants on campus, and balancing the mix of public and private uses on the campus. However, it is making important strides in realigning its operations to fit within the revenue it generates.

## Budget Snapshot

Department Support	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
General Fund Support	\$12,919,814	\$12,875,760	\$12,980,658	\$13,466,114
Other Funding - Operating	\$21,552,036	\$21,586,368	\$22,964,210	\$23,409,994
<b>Total Operations</b>	<b>\$34,471,850</b>	<b>\$34,462,128</b>	<b>\$35,944,868</b>	<b>\$36,876,108</b>
Other funding - Capital	\$6,815,855	\$3,878,000	\$8,980,000	\$5,151,000
<b>Total Appropriations</b>	<b>\$41,287,705</b>	<b>\$38,340,128</b>	<b>\$44,924,868</b>	<b>\$42,027,108</b>
Full-time Equivalent Total*	245.12	245.12	241.62	241.62

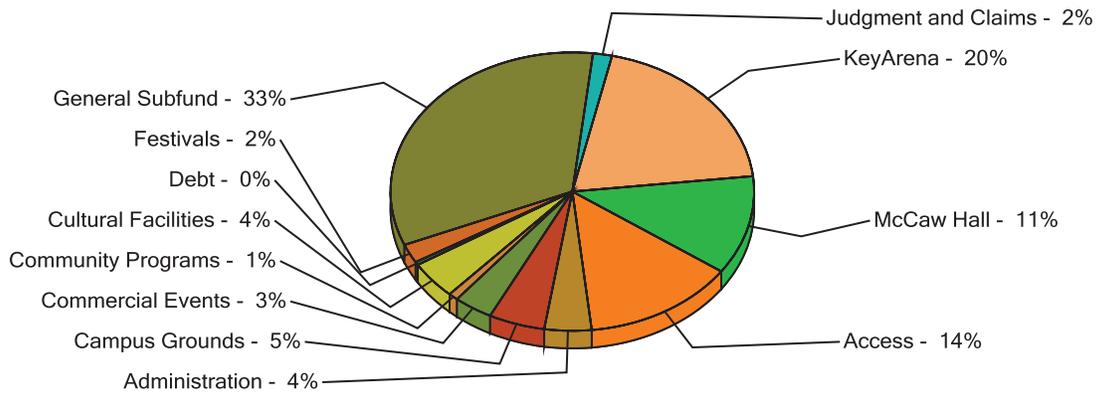
\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Personnel Director actions outside of the budget process may not be detailed here.

## 2013 Proposed Budget - Expenditure by Category



# Seattle Center

## 2013 Proposed Budget - Revenue by Category



### Budget Overview

In recent years, Seattle Center has faced the dual challenge of constrained General Fund resources as well as weakness to its other operating revenues. These challenges collided in 2009 when Seattle Center operated from a negative cash position, resulting in the execution of an interfund loan for Seattle Center in mid-2011, after a pre-existing loan expired on December 31, 2010. Since that time, Seattle Center has worked diligently to better align its operations with available revenues. While the loan duration will be extended to 2017, for 2013-2014, Seattle Center is projected to have made sufficient strides to ensure that the size of the loan does not grow beyond current projections.

The economic challenges brought on by the Great Recession have led to weakness in Seattle Center's operating revenues. Seattle Center has more than 75 sources of earned revenue, with the largest being parking fees, facility rentals, programming at McCaw Hall, and sales of tickets and suites at Key Arena. Long-term facility leases are another large source of revenue and primarily consist of theaters, museums, and other arts groups, often referred to as "resident tenants." Long-term leases are Seattle Center's revenues sources that have been most constrained by the recent economic weakness. The discretionary income of arts patrons and donated income from funders contracted resulted in less income for Seattle Center's resident tenants, making it difficult for a number of them to pay the full amount of their contractual lease payments.

To ensure that its operating costs are aligned with its revenues, Seattle Center has spent the past year looking for efficiencies and cost savings. The 2013-2014 Proposed Budget reflects the results of this work and includes sufficient costs savings to ensure that Seattle Center's expenditures are aligned with its revenues. Budget reduction strategies for the 2013-2014 Proposed Budget focus on administrative and operational efficiencies that result in minimal direct service impacts. Reductions include: cuts to maintenance costs, contract fees, administrative consolidations, and the elimination of positions. Funding for programs at Seattle Center is retained, allowing visitors to Seattle Center to continue to have access to a vast array of events and performances. The 2013-2014 Proposed Budget assumes that Seattle Center's interfund loan will

## Seattle Center

extend through 2017. While Seattle Center has made significant progress in aligning its costs with its revenues, additional time is needed to identify financial strategies for paying off the interfund loan. Seattle Center will work in the coming year to identify longer-term strategies for paying off the loan. Possible solutions could include restructuring leases, setting up payment plans, and in some cases forgiving portions of the accumulated debt, or implementing other operational changes.

Not all Seattle Center revenues have suffered as a result of the recent economic weakness. Event bookings at KeyArena have continued to grow after hitting a low point in 2009 after the departure of the Seattle SuperSonics. Along with steady growth in bookings and more diverse programming, additional changes, including a restructured KeyArena management team, a new concessionaire, and an improved ticketing arrangement, have further enhanced revenues. By 2011, Seattle Center had succeeded in bringing the KeyArena back to operating at a profit. The City is currently considering proposals to build a new indoor sports and entertainment arena in the downtown core. Whatever the outcome of the proposal, Seattle Center looks forward to adapting to its role in any new environment, and continuing to maximize the utility of the venue. Any adjustments to the budget that may be necessary as a result of a new arena are not contemplated in the Proposed Budget.

McCaw Hall continues to have consistent event bookings and attendance. In addition to attracting new concerts and events, the building's primary users, Pacific Northwest Ballet and Seattle Opera, continue to draw large audiences for their productions. In 2012, Seattle Center opened a redeveloped food service area in the Armory (formerly known as the Center House), which features a number of upgraded restaurants and concessions. With these new tenants in place, the Center has added a modest increase to its commercial revenues to reflect the popularity of this new offering. Lastly, parking revenues are projected to increase based on the implementation of a new hourly rate system.

The City has also reached an agreement with local radio station KEXP for lease of the upper Northwest Rooms. Although a final date for their arrival has not yet been determined, Seattle Center is looking forward to welcoming KEXP as early as 2013.

## Incremental Budget Changes

### Seattle Center

	2013		2014	
	Budget	FTE	Budget	FTE
<b>Total 2012 Adopted Budget</b>	<b>\$ 34,462,128</b>	<b>245.12</b>	<b>\$ 34,462,128</b>	<b>245.12</b>
<b>Baseline Changes</b>				
Citywide Adjustments for Standard Cost Changes	\$ 1,319,780	0.00	\$ 2,421,953	0.00
Net-Zero Transfer Between BCLs to Align Budget with Actual Costs	\$ 0	0.00	\$ 0	0.00
<b>Proposed Policy Changes</b>				
Administrative Efficiencies	-\$ 146,000	-2.00	-\$ 149,800	-2.00
Maintenance Reductions	-\$ 129,000	0.00	-\$ 130,000	0.00
Seattle Center Foundation FTE Reduction	-\$ 156,000	-1.00	-\$ 159,100	-1.00
Teen Tix Transition	\$ 0	0.00	-\$ 40,000	0.00
Food Service Management Reduction	-\$ 61,000	-0.50	-\$ 62,200	-0.50
One-Time Major Maintenance Spending	\$ 397,600	0.00	\$ 87,600	0.00

## Seattle Center

### Proposed Technical Changes

Final Citywide Adjustments for Standard Cost Changes	-\$ 475,764	0.00	-\$ 434,240	0.00
Technical Adjustment	\$ 733,124	0.00	\$ 879,767	0.00
<b>Total Incremental Changes</b>	<b>\$ 1,482,740</b>	<b>-3.50</b>	<b>\$ 2,413,980</b>	<b>-3.50</b>
<b>2013 - 2014 Proposed Budget</b>	<b>\$ 35,944,868</b>	<b>241.62</b>	<b>\$ 36,876,108</b>	<b>241.62</b>

## Description of Incremental Budget Changes

### Baseline Changes

#### Citywide Adjustments for Standard Cost Changes - \$1,319,780

Citywide technical adjustments made in the "Baseline Phase" reflect changes due to inflation, central cost allocations, retirement, health care, workers' compensation, and employment costs. These adjustments reflect initial assumptions about these costs and inflators early in the budget process.

#### Net-Zero Transfer Between BCLs to Align Budget with Actual Costs

These changes are net-zero adjustments between BCLs and accounts to align the budget with actual expenditures.

### Proposed Policy Changes

#### Administrative Efficiencies - (\$146,000)/(2.00) FTE

Consolidations in two areas will take place with this adjustment: admissions and campus catering. With the Admissions operations, the Admissions Manager 1 will be reduced from 1.0 FTE to 0.5 FTE, for a savings of \$52,000, and a vacant Accounting Technician I will be eliminated for a savings of \$64,000. The Manager 1 will now focus more on field operations, as some of the administrative duties will be reassigned to the facility managers who use admissions personnel. The vacant Accounting Technician I pocket was previously filled by a Regular Admissions Employee, and this work will be absorbed by the remaining 15 staff members whose work includes ticket-taking, showing customers to their seats, and monitoring the entrances.

Similar to the admissions reduction, the catering position, which coordinates the Campus Catering Program, also handles some administrative duties related to managing the contract process for commercial clients. This Administrative Specialist II position will be reduced from 1.0 to 0.5 FTE for a savings of \$30,000 and will retain responsibility for coordinating the Catering Program as well as some functions related to contract facilitation. Other administrative duties relating to the contract process will be absorbed by other Campus Commercial Event staff.

#### Maintenance Reductions - (\$129,000)

Seattle Center evaluated its maintenance budget and identified reductions in various areas including office supplies, maintenance supplies, and the elimination of a specialized vehicle. In most cases, these reductions will have a minimal impact to Seattle Center operations. For example, the reduction of a boom truck will be mitigated by utilizing a scissor lift Seattle Center has onsite, as well as the timely use of other vehicles that the Center rents at various times for events and special projects. However, if the Center experiences significant maintenance and repair issues, there may be delays in addressing items like graffiti removal or grounds restoration. Seattle Center will prioritize life safety functions (fire alarms, ADA access, etc.), revenue generation, and contractual responsibilities.

# Seattle Center

## **Seattle Center Foundation FTE Reduction - (\$156,000)/(1.00) FTE**

This change eliminates City funding for the Strategic Advisor 3 position which currently acts as the Executive Director of the Seattle Center Foundation. The Executive Director will continue but will now be an employee of the Foundation. In order to provide financial support to the Foundation operation, Seattle Center will convert a storefront, previously run by Frontier Gallery and then used in 2012 to sell Seattle World's Fair memorabilia, into a permanent store run by the Foundation, with net profits used to fund Foundation administrative overhead. The Foundation will pay Seattle Center a reduced annual lease payment of \$15,000. Seattle Center had previously assumed it would receive \$100,000 in rent revenue if the space was rented out to a commercial vendor. Savings from eliminating funding for this position are partly offset by the loss of approximately \$85,000 in lease revenue from the space. The net savings from this reduction is \$71,000, or \$156,000 minus forgone revenues of \$85,000.

## **Teen Tix Transition**

This change removes Teen Tix from Seattle Center's public program offerings in 2014 with the intention of transitioning the program to a non-profit organization to ensure the program's continuity. This transfer reduces Center's 2014 budget by \$40,000. Started in 2005, Teen Tix serves teenagers by making Seattle's rich cultural life affordable to them. Approximately 7,500 day-of-show tickets were leveraged in 2011 for use at 37 participating organizations. The savings from this reduction come from the elimination of a contract position that coordinates the program. Seattle Center will work with the Seattle Center Foundation to transition the program to a viable non-profit by the end of 2013.

## **Food Service Management Reduction - (\$61,000)/(.50) FTE**

Seattle Center has 2.0 FTEs assigned to contracts and food service management: a Manager 2 and an Administrative Specialist 2. The Manager 2 previously functioned as the contracts manager for Seattle Center, with approximately 75% of their time related to food service operations. These duties have now been transferred to Levy Restaurants, the contractor that Seattle Center began working with in 2011 to manage the Armory food court. Additionally, a new Armory Operations Board is in place to provide overall facility oversight. This proposal reduces the Manager 2 from 1.0 FTE to 0.5 FTE to reflect the reduction in responsibilities that comes with having a professional food service management company operating the food court. The manager's remaining time will be fully spent on managing other Armory non-food vendor tenants, leasing of peripheral spaces, and contract management. The Administrative Specialist position currently supporting the Contracts Manager will be retained to process contracts and provide general administrative support to the new Operating Board.

## **One-Time Major Maintenance Spending - \$397,600**

In 2013 and 2014, Center will use McCaw Hall reserve funds, which are collected annually to fund the replacement of various pieces of equipment that have come to the end of their life cycle. The current reserve balance is approximately \$1.3 million. It is expected that the facility, now 10 years old, will begin to utilize the reserves more regularly for maintenance and equipment replacement.

## **Proposed Technical Changes**

### **Final Citywide Adjustments for Standard Cost Changes - (\$475,764)**

Citywide technical adjustments made in the "Proposed Phase" reflect changes due to inflation, central cost allocations, retirement, health care, workers' compensation, and unemployment costs. These adjustments typically reflect updates to preliminary cost assumptions established in the "Baseline Phase."

# Seattle Center

## Technical Adjustment - \$733,124

The technical adjustment is comprised of changes to the budget to accommodate the food court management contract, a change in an accounting practice, the adjustments for the most recent event forecast, and net-zero transfers of budget authority between BCLs to better align the Seattle Center's budget with actual spending.

Although the food court management contract with Levy Restaurants began in 2011 at an annual cost of \$240,000, it was not included in the 2012 budget. The contract, which has recently been renegotiated, will now cost \$120,000 annually beginning in 2013. This adjustment adds the contract with Levy Restaurants into Seattle Center's budget.

The change in accounting practices relates to third-party security charges. In the past, Center would work with the vendor and then pass the security charges to the clients who would then pay the vendor directly. To increase transparency and more accurately reflect the true cost of producing events, Seattle Center will now record the charges in the budget, and bill the clients themselves, making this add of \$300,000 entirely revenue backed.

Another fully revenue backed change is the biennial adjustment of the budget to incorporate the most recent projection of how many, and what type of events are expected to take place over the next biennium at all campus venues. As event projections change from year to year as a result of entertainment industry trends and competition, Seattle Center's associated revenues and expenses also fluctuate. Based on the latest event projections for 2013-2014, an increase of approximately \$313,000 of expense authority is needed. This expense authority is supported by revenue earned by the events themselves. The final component of this adjustment comprises net-zero adjustment between BCLs to better align the budget with actual spending.

## Expenditure Overview

Appropriations	Summit Code	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Access Budget Control Level	SC670	1,101,651	1,135,412	1,209,050	1,249,107
Administration-SC Budget Control Level	SC690	7,465,293	6,920,926	6,893,147	7,170,263
Campus Grounds Budget Control Level	SC600	11,541,598	11,560,165	11,678,551	12,045,194
Commercial Events Budget Control Level	SC640	921,826	942,407	891,893	946,293
Community Programs Budget Control Level	SC620	1,978,208	2,037,462	2,060,255	2,078,338
Cultural Facilities Budget Control Level	SC630	146,941	212,848	220,830	229,145
Debt Budget Control Level	SC680	139,194	135,994	134,850	126,450
Festivals Budget Control Level	SC610	821,595	715,490	1,481,593	1,505,509
Judgment and Claims Budget Control Level	SC710	931,564	931,564	602,601	705,108
KeyArena Budget Control Level	SC660	5,488,518	5,800,596	6,297,392	6,613,284
McCaw Hall Budget Control Level	SC650	3,935,463	4,069,262	4,474,705	4,207,416
<b>Department Total</b>		<b>34,471,850</b>	<b>34,462,128</b>	<b>35,944,868</b>	<b>36,876,108</b>
<b>Department Full-time Equivalents Total*</b>		<b>245.12</b>	<b>245.12</b>	<b>241.62</b>	<b>241.62</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 Center

## Revenue Overview

### 2013 Estimated Revenues

Summit Code	Source	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
462300	Parking	4,302,181	4,601,944	4,377,247	4,351,817
462800	Monorail	447,842	450,000	450,000	450,000
	<b>Total Access</b>	<b>4,750,023</b>	<b>5,051,944</b>	<b>4,827,247</b>	<b>4,801,817</b>
441960	Seattle Center Fund	106,540	100,000	100,000	100,000
462900	Administration	21,283	7,000	12,000	12,000
481500	Lease Settlement	0	0	0	0
541490	CIP	1,199,787	1,550,085	1,371,877	1,402,522
	<b>Total Administration</b>	<b>1,327,610</b>	<b>1,657,085</b>	<b>1,483,877</b>	<b>1,514,522</b>
462500	Leases - Campus Grounds	782,184	1,207,432	894,151	1,134,207
462800	Amusement Park Concessions	737	0	0	0
462800	Center House Concessions	1,018,831	901,899	881,697	1,044,144
	<b>Total Campus Grounds</b>	<b>1,801,752</b>	<b>2,109,331</b>	<b>1,775,848</b>	<b>2,178,351</b>
462400	Campus Commercial Events	1,092,665	1,301,664	1,234,200	1,214,723
	<b>Total Commercial Events</b>	<b>1,092,665</b>	<b>1,301,664</b>	<b>1,234,200</b>	<b>1,214,723</b>
439090	Campus Sponsorships	2,000	350,000	250,000	250,000
441960	Seattle Center Productions	78,005	60,800	58,400	58,400
	<b>Total Community Programs</b>	<b>80,005</b>	<b>410,800</b>	<b>308,400</b>	<b>308,400</b>
462500	Leases - Cultural Facilities	1,409,516	1,265,362	1,556,711	1,513,899
	<b>Total Cultural Facilities</b>	<b>1,409,516</b>	<b>1,265,362</b>	<b>1,556,711</b>	<b>1,513,899</b>
462500	McCaw Hall Tenant Use Fees - Debt	69,596	67,997	67,425	63,225
587001	General Fund - McCaw Hall Debt	69,597	67,997	67,425	63,225
	<b>Total Debt</b>	<b>139,193</b>	<b>135,994</b>	<b>134,850</b>	<b>126,450</b>
441960	Festivals	598,170	528,079	780,835	793,814
	<b>Total Festivals</b>	<b>598,170</b>	<b>528,079</b>	<b>780,835</b>	<b>793,814</b>
587001	General Subfund Support	11,389,722	11,337,218	11,752,682	12,124,022
	<b>Total General Subfund</b>	<b>11,389,722</b>	<b>11,337,218</b>	<b>11,752,682</b>	<b>12,124,022</b>
587001	Judgment and Claims Allocation	931,564	931,564	602,601	705,108
	<b>Total Judgment and Claims</b>	<b>931,564</b>	<b>931,564</b>	<b>602,601</b>	<b>705,108</b>
441710	KeyArena Miscellaneous	-22,827	115,366	513,953	630,040
441960	KeyArena Reimbursables	2,003,262	1,711,414	2,257,997	2,254,282
462400	KeyArena Premium Seating	297,288	380,000	338,849	388,130
462400	KeyArena Rent	1,277,278	1,354,418	1,498,336	1,510,393
462800	KeyArena Concessions	808,334	604,854	1,218,331	1,261,984
462800	KeyArena Sponsorship	0	0	0	0
462800	KeyArena Ticketing	1,492,099	1,640,451	1,180,970	1,337,692

## Seattle Center

	<b>Total KeyArena</b>	<b>5,855,434</b>	<b>5,806,503</b>	<b>7,008,436</b>	<b>7,382,521</b>
441960	McCaw Hall Reimbursables	1,346,391	1,350,661	1,365,618	1,406,111
462400	McCaw Hall Rent	329,263	426,677	300,139	420,155
462500	McCaw Hall Tenant Use Fees	1,229,753	1,116,439	1,441,206	1,288,271
462800	McCaw Hall Catering & Concessions	316,275	335,000	270,000	270,000
462800	McCaw Hall Miscellaneous	160,911	182,974	146,668	166,585
587001	General Fund - McCaw Hall	528,931	538,981	557,950	573,759
	<b>Total McCaw Hall</b>	<b>3,911,524</b>	<b>3,950,732</b>	<b>4,081,581</b>	<b>4,124,881</b>
	<b>Total Revenues</b>	<b>33,287,178</b>	<b>34,486,276</b>	<b>35,547,268</b>	<b>36,788,508</b>
379100	Use of (Contribution To) Fund Balance	0	-24,147	397,600	87,600
	<b>Total Use of Fund Balance</b>	<b>0</b>	<b>-24,147</b>	<b>397,600</b>	<b>87,600</b>
	<b>Total Resources</b>	<b>33,287,178</b>	<b>34,462,129</b>	<b>35,944,868</b>	<b>36,876,108</b>

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

### Access Budget Control Level

The purpose of the Access Budget Control Level is to provide the services needed to assist visitors in coming to and traveling from the campus while reducing congestion in adjoining neighborhoods.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Access	1,101,651	1,135,412	1,209,050	1,249,107
<b>Total</b>	<b>1,101,651</b>	<b>1,135,412</b>	<b>1,209,050</b>	<b>1,249,107</b>
Full-time Equivalents Total*	11.23	11.23	11.23	11.23

\* 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-SC Budget Control Level

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

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Administration-SC	7,465,293	6,920,926	6,893,147	7,170,263
<b>Total</b>	<b>7,465,293</b>	<b>6,920,926</b>	<b>6,893,147</b>	<b>7,170,263</b>
Full-time Equivalents Total*	22.61	22.61	20.11	20.11

\* 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

### Campus Grounds Budget Control Level

The purpose of the Campus Grounds Budget Control Level is to provide and maintain the gathering spaces and open-air venues at Seattle Center.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Campus Grounds	11,541,598	11,560,165	11,678,551	12,045,194
<b>Total</b>	<b>11,541,598</b>	<b>11,560,165</b>	<b>11,678,551</b>	<b>12,045,194</b>
Full-time Equivalents Total*	78.97	78.97	77.97	77.97

*\* 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.*

### Commercial Events Budget Control Level

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

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Commercial Events	921,826	942,407	891,893	946,293
<b>Total</b>	<b>921,826</b>	<b>942,407</b>	<b>891,893</b>	<b>946,293</b>
Full-time Equivalents Total*	7.48	7.48	7.48	7.48

*\* 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.*

### Community Programs Budget Control Level

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

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Community Programs	1,978,208	2,037,462	2,060,255	2,078,338
<b>Total</b>	<b>1,978,208</b>	<b>2,037,462</b>	<b>2,060,255</b>	<b>2,078,338</b>
Full-time Equivalents Total*	11.88	11.88	11.88	11.88

*\* 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

### **Cultural Facilities Budget Control Level**

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

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Cultural Facilities	146,941	212,848	220,830	229,145
<b>Total</b>	<b>146,941</b>	<b>212,848</b>	<b>220,830</b>	<b>229,145</b>
Full-time Equivalents Total*	3.26	3.26	3.26	3.26

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

### **Debt Budget Control Level**

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

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Debt	139,194	135,994	134,850	126,450
<b>Total</b>	<b>139,194</b>	<b>135,994</b>	<b>134,850</b>	<b>126,450</b>

### **Festivals Budget Control Level**

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

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Festivals	821,595	715,490	1,481,593	1,505,509
<b>Total</b>	<b>821,595</b>	<b>715,490</b>	<b>1,481,593</b>	<b>1,505,509</b>
Full-time Equivalents Total*	8.72	8.72	8.72	8.72

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

### **Judgment and Claims Budget Control Level**

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

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Judgment and Claims	931,564	931,564	602,601	705,108
<b>Total</b>	<b>931,564</b>	<b>931,564</b>	<b>602,601</b>	<b>705,108</b>

## Seattle Center

### KeyArena Budget Control Level

The purpose of the KeyArena Budget Control Level is to manage and operate the KeyArena as the premier large scale entertainment venue in the Seattle region.

Program Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
KeyArena	5,488,518	5,800,596	6,297,392	6,613,284
<b>Total</b>	<b>5,488,518</b>	<b>5,800,596</b>	<b>6,297,392</b>	<b>6,613,284</b>
Full-time Equivalents Total*	65.99	65.99	65.99	65.99

\* 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.

### McCaw Hall Budget Control Level

The purpose of the McCaw Hall Budget Control Level is to manage and operate Marion Oliver McCaw Hall in partnership with Seattle Opera and Pacific Northwest Ballet.

Program Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
McCaw Hall	3,935,463	4,069,262	4,474,705	4,207,416
<b>Total</b>	<b>3,935,463</b>	<b>4,069,262</b>	<b>4,474,705</b>	<b>4,207,416</b>
Full-time Equivalents Total*	34.98	34.98	34.98	34.98

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

## Seattle Center Fund Table

### Seattle Center Fund (11410)

	2011 Actuals	2012 Adopted	2012 Revised	2013 Proposed	2014 Proposed
<b>Beginning Fund Balance</b>	<b>1,895,568</b>	<b>1,873,402</b>	<b>710,896</b>	<b>735,045</b>	<b>337,445</b>
Accounting and Technical Adjustments	0	0	0	0	0
Plus: Actual and Estimated Revenues	33,287,178	34,486,276	34,486,276	35,547,268	36,788,508
Less: Actual and Budgeted Expenditures	34,471,850	34,462,128	34,462,128	35,944,868	36,876,108
<b>Ending Fund Balance</b>	<b>710,896</b>	<b>1,897,550</b>	<b>735,045</b>	<b>337,445</b>	<b>249,844</b>
Inventories		259,000			
McCaw Hall Reserves		1,087,000	1,200,000	700,000	600,000
<b>Total Reserves</b>		<b>1,346,000</b>	<b>1,200,000</b>	<b>700,000</b>	<b>600,000</b>
<b>Ending Unreserved Fund Balance</b>	<b>710,896</b>	<b>551,550</b>	<b>-464,955</b>	<b>-362,555</b>	<b>-350,156</b>

## Seattle Center

### KeyArena Settlement Proceeds Fund

	2011 Actuals	2012 Adopted	2012 Revised	2013 Proposed	2014 Proposed
<b>Beginning Fund Balance</b>	1,015,000	683,000	682,000	537,000	0
Plus: Actual and Estimated Revenue	0	0	0	0	0
Less: Actual and Budgeted Expenditures	0	0	0	0	0
Less: Capital Improvements	333,000	683,000	145,000	537,000	0
<b>Ending Fund Balance</b>	<b>682,000</b>	<b>0</b>	<b>537,000</b>	<b>0</b>	<b>0</b>

### McCaw Hall Capital Reserve Fund

	2011 Actuals	2012 Adopted	2012 Revised	2013 Proposed	2014 Proposed
<b>Beginning Fund Balance</b>	447,000	694,000	826,000	290,000	0
Plus: Actual and Estimated Revenue	400,000	400,000	400,000	500,000	500,000
Less: Capital Improvements	21,000	1,078,000	936,000	790,000	500,000
<b>Ending Fund Balance</b>	<b>826,000</b>	<b>16,000</b>	<b>290,000</b>	<b>0</b>	<b>0</b>

# Seattle Center

## Capital Improvement Program Highlights

Seattle Center's 2013-2018 Capital Improvement Program (CIP) is at the heart of Seattle Center's vision to be the premier urban park. Seattle Center's CIP repairs, renovates, and redevelops the facilities and grounds of Seattle Center's 74-acre campus to provide a safe and welcoming place for millions of visitors and 5,000 events each year. In 2013, Seattle Center continues implementation of the Seattle Center Century 21 Master Plan. Adopted by the City Council in August 2008, the Century 21 Master Plan will guide development of the Seattle Center campus over the next 20 years.

The 2013-2018 CIP includes funding for continued renovation of the Armory (formerly Center House) including mechanical systems, restrooms, and meeting rooms. Funding is also included for asset preservation investments in Seattle Center's other two large public assembly facilities, KeyArena and McCaw Hall, as well as for campus open space and the Seattle Center Monorail.

The costs of managing Seattle Center's CIP, including project management and administration, are presented in Seattle Center's operating budget. These costs are offset by revenues to the Seattle Center Fund from the funding sources of the CIP projects.

Funding for Seattle Center's 2013-2018 Proposed CIP comes primarily from the Cumulative Reserve Subfund, property sale proceeds, federal grant funds, and private sources.

More information and background on Seattle Center's CIP can be found in the 2013-2018 Proposed CIP Budget Book.

### Capital Improvement Program Appropriation

Budget Control Level	2013 Proposed	2014 Proposed
<b>Campuswide Improvements and Repairs: S03P01</b>		
Cumulative Reserve Subfund - REET I Subaccount (00163)	1,924,000	1,145,000
Cumulative Reserve Subfund - Unrestricted Subaccount (00164)	1,030,000	30,000
Seattle Center Capital Reserve Subfund	220,000	0
<b>Subtotal</b>	<b>3,174,000</b>	<b>1,175,000</b>
<b>Center House Rehabilitation: S9113</b>		
Cumulative Reserve Subfund - REET I Subaccount (00163)	1,509,000	1,044,000
<b>Subtotal</b>	<b>1,509,000</b>	<b>1,044,000</b>
<b>Facility Infrastructure Renovation and Repair: S03P02</b>		
Cumulative Reserve Subfund - REET I Subaccount (00163)	779,000	200,000
<b>Subtotal</b>	<b>779,000</b>	<b>200,000</b>
<b>Fisher Pavilion: S9705</b>		
Cumulative Reserve Subfund - REET I Subaccount (00163)	35,000	50,000
<b>Subtotal</b>	<b>35,000</b>	<b>50,000</b>
<b>Key Arena: S03P04</b>		
Cumulative Reserve Subfund - REET I Subaccount (00163)	200,000	200,000
<b>Subtotal</b>	<b>200,000</b>	<b>200,000</b>

## Seattle Center

**McCaw Hall Maintenance Fund: S0303**

McCaw Hall Capital Reserve	500,000	500,000
<b>Subtotal</b>	<b>500,000</b>	<b>500,000</b>

**Monorail Improvements: S9403**

Cumulative Reserve Subfund - Unrestricted Subaccount (00164)	1,113,000	1,317,000
<b>Subtotal</b>	<b>1,113,000</b>	<b>1,317,000</b>

**Parking Repairs and Improvements: S0301**

Cumulative Reserve Subfund - REET I Subaccount (00163)	480,000	0
<b>Subtotal</b>	<b>480,000</b>	<b>0</b>

**Public Gathering Space Improvements: S9902**

Cumulative Reserve Subfund - REET I Subaccount (00163)	700,000	300,000
Cumulative Reserve Subfund - Unrestricted Subaccount (00164)	90,000	90,000
<b>Subtotal</b>	<b>790,000</b>	<b>390,000</b>

**Utility Infrastructure: S03P03**

2011 Multipurpose LTGO Bond Fund	125,000	0
Cumulative Reserve Subfund - REET I Subaccount (00163)	275,000	275,000
<b>Subtotal</b>	<b>400,000</b>	<b>275,000</b>

<b>Total Capital Improvement Program Appropriation</b>	<b>8,980,000</b>	<b>5,151,000</b>
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# The Seattle Public Library

Marcellus Turner, City Librarian

Department Quick Information Line: (206) 386-4636

On the Web at: <http://www.spl.org/>



## Department Overview

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

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

More than 6.7 million people visited The Seattle Public Library in person in 2011, and almost 7.6 million visited virtually through the Library's catalog and website. As the center of Seattle's information network, the Library provides a vast array of resources and services to the public (2011 usage noted), including:

- print and electronic books, media, magazines, newspapers (11.6 million items checked out);
- assisted information services in-person, virtual, and telephone (986,000 responses);
- on-site Internet access and classes (1.5 million patron Internet sessions);
- downloadable media, including e-books, audiobooks, music and video (640,000 downloads);
- sheet music and small practice rooms;
- electronic databases (426,000 sessions);
- an extensive multilingual collection;
- English as a Second Language (ESL) and literacy services;
- outreach and accessible services and resources for people with disabilities or special needs;

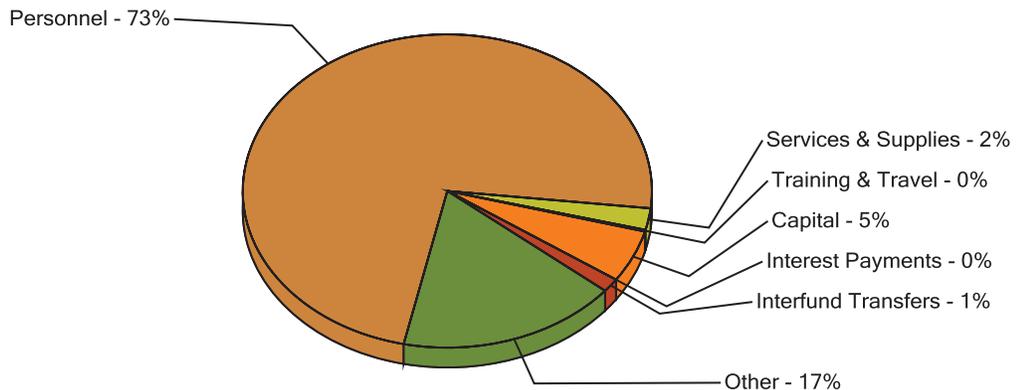
## The Seattle Public Library

- over 6,400 literary and other programs and activities attended by 258,000 children, teens, and adults;
- Homework Help (7,500 students assisted in-person at branches and 19,000 on-line sessions);
- podcasts of public programs (51,000 downloads);
- 23 neighborhood meeting rooms (4,400 meetings of external groups);
- a large Central Library auditorium and 12 meeting rooms (nearly 349 meetings of external groups with a total of 18,200 participants); and
- Quick Information Center telephone reference service (386-INFO)

### Budget Snapshot

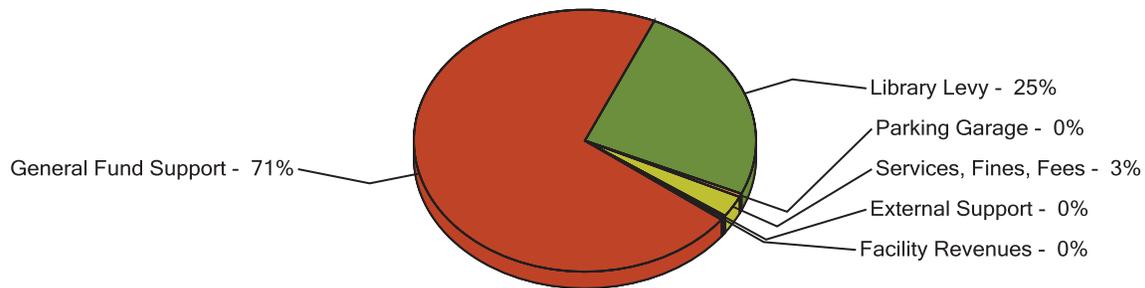
Department Support	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
General Fund Support	\$46,857,207	\$49,355,585	\$48,044,386	\$50,131,066
Other Funding - Operating	\$2,724,830	\$2,448,051	\$15,528,795	\$15,137,718
<b>Total Operations</b>	<b>\$49,582,037</b>	<b>\$51,803,636</b>	<b>\$63,573,181</b>	<b>\$65,268,784</b>
Other funding - Capital	\$1,508,577	\$1,783,000	\$3,425,000	\$3,556,000
<b>Total Appropriations</b>	<b>\$51,090,614</b>	<b>\$53,586,636</b>	<b>\$66,998,181</b>	<b>\$68,824,784</b>

### 2013 Proposed Budget - Expenditure by Category



# The Seattle Public Library

## 2013 Proposed Budget - Revenue by Category



### Budget Overview

Supporting, maintaining and improving core library services and ensuring the Library can conduct appropriate facility maintenance is a priority for the Mayor, City Council, and Seattle residents. In August 2012, Seattle voters approved a seven-year, \$123 million Library Levy to increase hours, purchase more books and materials, upgrade public computers and online services, and improve building maintenance. Without the approved levy, the Library would have had to delay important maintenance and public technology investments and implement further reductions including cuts to collections and open hours. In addition to supplying approximately \$10 million in new funding beginning in 2013 to restore and enhance core Library services, the Library Levy offsets \$4.15 million in reductions to the Library that could have been required to balance the 2013-2014 budget and replaces \$820,000 in 2013 General Fund/Real Estate Excise Tax (REET) support for the Library's Capital Improvement Program (CIP), for a combined reduction of approximately \$5 million.

The City's revenue forecast has modestly improved since the Library Levy was approved by voters in August of 2012 and some unanticipated REET revenue is now available. An additional allocation of \$500,000 in REET funding is proposed for the Library's Capital Improvement Program in both 2013 and 2014. This funding will support efforts to restructure library spaces to address changes in usage patterns and encourage community engagement in Library spaces.

For the first time in five years and as a result of Levy funding, there will be no one-week closure of the entire Library system. In addition, all 26 neighborhood libraries will be open on Sundays, as Levy funding is used to restore Sunday hours at 15 branches. Two branches, Columbia and Northgate, shift to seven-day schedules. The Library will move from operating 15 branches five days a week and 11 branches seven days a week to operating 13 branches six days a week and 13 branches seven days a week. The Levy allows the Library to reduce wait times for popular titles, provide more variety in the collection, and to move more quickly in building its digital collection to meet growing demand. The Library Levy also makes possible significant technology and online services improvements.

# The Seattle Public Library

Libraries are among the most intensively used public facilities in Seattle. After several years of restricted maintenance funding, the Levy enables the Library to implement a responsible program of asset management to improve regular care and major maintenance for the 26 branches and Central Library as they age.

The use of all 2013 Library Levy revenue is specified in detail in the City's operating and capital budgets. The Library Levy measure approved by the voters requires the Library to provide annual progress reports on use of Levy proceeds to sustain and improve services. The first report is due to the Mayor and City Council on March 1, 2014. Continuing the level of service established by the Levy beyond 2019 will require maintaining funding, either from renewal of the Levy at approximately the current level (adjusted for inflation), from increasing General Fund and REET support, or from some other funding mechanism. The Library will work with the Mayor and City Council in the intervening years to identify the best way forward.

## Incremental Budget Changes

### The Seattle Public Library

	2013		2014	
	Budget	FTE	Budget	FTE
<b>Total 2012 Adopted Budget</b>	<b>\$ 51,803,635</b>	<b>0.00</b>	<b>\$ 51,803,635</b>	<b>0.00</b>
<b>Baseline Changes</b>				
Citywide Adjustments for Standard Cost Changes	\$ 2,790,198	0.00	\$ 4,610,653	0.00
Eliminate Judgment and Claim Appropriation	-\$ 245,600	0.00	-\$ 252,970	0.00
<b>Proposed Library Levy Changes</b>				
Levy Funds to Offset General Fund Reduction	\$ 0	0.00	\$ 0	0.00
Increase Hours and Access	\$ 3,321,899	0.00	\$ 3,438,084	0.00
Expand Print and Digital Collections	\$ 2,140,666	0.00	\$ 2,200,542	0.00
Increase Technology and Online Services	\$ 2,014,662	0.00	\$ 1,273,599	0.00
Enhance Regular Facilities Maintenance	\$ 1,256,931	0.00	\$ 1,289,732	0.00
Levy Administration	\$ 165,623	0.00	\$ 171,113	0.00
<b>Proposed Technical Changes</b>				
Final Citywide Adjustments for Standard Cost Changes	\$ 325,167	0.00	\$ 734,396	0.00
<b>Total Incremental Changes</b>	<b>\$ 11,769,546</b>	<b>0.00</b>	<b>\$ 13,465,149</b>	<b>0.00</b>
<b>2013 - 2014 Proposed Budget</b>	<b>\$ 63,573,181</b>	<b>0.00</b>	<b>\$ 65,268,784</b>	<b>0.00</b>

# The Seattle Public Library

## Description of Incremental Budget Changes

### Baseline Changes

#### **Citywide Adjustments for Standard Cost Changes - \$2,790,198**

Citywide technical adjustments made in the "Baseline Phase" reflect changes due to inflation, central cost allocations, retirement, health care, workers' compensation, and employment costs. These adjustments reflect initial assumptions about these costs and inflators early in the budget process.

#### **Eliminate Judgment and Claim Appropriation - (\$245,600)**

The Library's charges for Judgment and Claims will be included in the Finance General payments for Judgment and Claims because the Library's share of citywide payments has dropped below 2%. As a result, the Library no longer is required to budget for Judgment and Claims charges.

### Proposed Library Levy Changes

#### **Levy Funds to Offset General Fund Reduction**

As called for in the Library Levy plan (Ordinance 123851), some revenue from the Levy is used to sustain the Library's 2012 level of service by replacing General Fund support with funding from the Levy. \$4.15 million of General Fund support will be replaced by the Levy in 2013 and \$4.29 million of General Fund support will be replaced by the Levy in 2014.

#### **Increase Hours and Access - \$3,321,899**

Levy funding will allow all library branches to operate 52 weeks per year. As a result of budget challenges, the library branches had been closed for one week during the past four summers. The Levy funds also allow all 26 branches to be opened from 1-5 p.m. on Sundays. Previously, 15 branch libraries were closed on Sundays due to funding reductions. Two five-day branches, Columbia and Northgate, will be open seven days per week. On-site reference services will also be restored at eight small branches.

#### **Expand Print and Digital Collections - \$2,140,666**

Levy funding will be used to expand the variety and depth of materials in all formats. Expanding the collections will reduce wait times for popular materials and allow the Library to increase limits on patron reserves for books, CDs, and DVDs. The downloadable materials collection will also be expanded with Levy funds.

#### **Increase Technology and Online Services - \$2,014,662**

Levy funding will replace and upgrade computers and technology infrastructure that was purchased during the Libraries for All (LFA) capital program. The Levy will also fund improvements to online services, existing meeting room technology, and allow the Library to replace aging public printers and copiers.

#### **Enhance Regular Facilities Maintenance - \$1,256,931**

Levy funding will be used to increase the daily maintenance level of service for all 26 branch libraries and the Central Library, to extend the functional life of the facilities, and to ensure a clean and welcoming environment for Library users.

# The Seattle Public Library

## Levy Administration - \$165,623

Levy funding will support one position to coordinate implementation of the Library Levy programs, manage performance outcomes, and gather data associated with the Levy. This position will prepare yearly progress reports for the Library Board, Mayor, City Council, and public on how Levy funds are being utilized and how desired outcomes are being realized.

### Proposed Technical Changes

## Final Citywide Adjustments for Standard Cost Changes - \$325,167

Citywide technical adjustments made in the "Proposed Phase" reflect changes due to inflation, central cost allocations, retirement, health care, workers' compensation, and unemployment costs. These adjustments typically reflect updates to preliminary cost assumptions established in the "Baseline Phase."

## Expenditure Overview

Appropriations	Summit Code	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
<b>Administrative Services Budget Control</b>					
Administrative Services Director		409,815	775,166	690,017	713,654
Facilities Maintenance and Materials Distribution Services		6,141,000	6,066,279	7,960,893	8,205,791
Finance Services		1,105,308	1,415,868	1,056,694	1,056,895
Safety and Security Services		1,058,832	1,118,405	1,379,856	1,427,904
<b>Total</b>	<b>B1ADM</b>	<b>8,714,954</b>	<b>9,375,717</b>	<b>11,087,459</b>	<b>11,404,244</b>
<b>City Librarian's Office Budget Control</b>					
City Librarian		335,274	436,068	466,670	481,513
Communications		470,560	594,003	541,357	557,787
<b>Total</b>	<b>B2CTL</b>	<b>805,834</b>	<b>1,030,071</b>	<b>1,008,027</b>	<b>1,039,300</b>
<b>Human Resources Budget Control Level</b>	<b>B5HRS</b>	<b>1,173,327</b>	<b>1,037,672</b>	<b>1,074,409</b>	<b>1,110,903</b>
<b>Information Technology Budget Control Level</b>	<b>B3CTS</b>	<b>3,209,336</b>	<b>3,241,948</b>	<b>5,527,071</b>	<b>4,907,955</b>
<b>Library Services Budget Control</b>					
Central Library Services		11,585,901	11,867,226	13,999,986	14,637,966
Neighborhood Libraries		16,372,581	17,225,694	21,164,679	22,172,709
Technical and Collection Services		7,720,102	8,025,309	9,711,550	9,995,707
<b>Total</b>	<b>B4PUB</b>	<b>35,678,585</b>	<b>37,118,228</b>	<b>44,876,215</b>	<b>46,806,382</b>
<b>Department Total</b>		<b>49,582,037</b>	<b>51,803,636</b>	<b>63,573,181</b>	<b>65,268,784</b>

# The Seattle Public Library

## Revenue Overview

### 2013 Estimated Revenues

Summit Code	Source	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
31940	Library Levy CIP	0	0	2,748,000	3,056,000
31940	Library Levy Operating	0	0	14,082,000	13,942,300
	<b>Total Levy 2012 Baseline Support (sustain current services)</b>	<b>0</b>	<b>0</b>	<b>16,830,000</b>	<b>16,998,300</b>
542810	Cable Franchise	190,000	190,000	190,000	190,000
	<b>Total External Support</b>	<b>190,000</b>	<b>190,000</b>	<b>190,000</b>	<b>190,000</b>
462400	Space Rentals	145,880	150,000	150,000	150,000
469112	Sale of Fixed Assets	62,498	50,000	50,000	50,000
	<b>Total Facility Revenues</b>	<b>208,378</b>	<b>200,000</b>	<b>200,000</b>	<b>200,000</b>
587001	General Subfund Support	46,857,207	49,324,622	48,044,386	50,131,066
	<b>Total General Subfund Support</b>	<b>46,857,207</b>	<b>49,324,622</b>	<b>48,044,386</b>	<b>50,131,066</b>
441610	Copy Services	39,871	60,000	60,000	60,000
441610	Pay for Print	153,919	159,000	159,000	159,000
459700	Fines and Fees	1,536,903	1,564,014	1,564,014	1,564,014
462800	Coffee Cart	2,978	3,000	3,000	3,000
469990	Miscellaneous Revenue	3,199	3,000	3,000	3,000
	<b>Total Operating Services, Fines, Fees</b>	<b>1,736,870</b>	<b>1,789,014</b>	<b>1,789,014</b>	<b>1,789,014</b>
462300	Central Library Parking Revenue	288,637	300,000	300,000	300,000
	<b>Total Parking Garage</b>	<b>288,637</b>	<b>300,000</b>	<b>300,000</b>	<b>300,000</b>
	<b>Total Revenues</b>	<b>49,281,091</b>	<b>51,803,636</b>	<b>67,353,400</b>	<b>69,608,380</b>
379100	Use of (Contribution To) Fund Balance	0	0	-1,032,219	-1,283,596
	<b>Total Use of Fund Balance</b>	<b>0</b>	<b>0</b>	<b>-1,032,219</b>	<b>-1,283,596</b>
	<b>Total Resources</b>	<b>49,281,091</b>	<b>51,803,636</b>	<b>66,321,181</b>	<b>68,324,784</b>

# The Seattle Public Library

## Appropriations By Program

### Administrative Services

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

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Administrative Services Director	409,815	775,166	690,017	713,654
Facilities Maintenance and Materials Distribution Services	6,141,000	6,066,279	7,960,893	8,205,791
Finance Services	1,105,308	1,415,868	1,056,694	1,056,895
Safety and Security Services	1,058,832	1,118,405	1,379,856	1,427,904
<b>Total</b>	<b>8,714,954</b>	<b>9,375,717</b>	<b>11,087,459</b>	<b>11,404,244</b>

*The following information summarizes the programs in Administrative Services Budget Control Level:*

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

The purpose of the Administrative Services Director Program is to administer the financial, facilities, materials distribution, event services, and safety and security operations of the Library system so that library services are provided effectively and efficiently.

<b>Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Administrative Services Director	409,815	775,166	690,017	713,654

#### **Facilities Maintenance and Materials Distribution Services Program**

The purpose of the Facilities Maintenance and Materials Distribution Services Program is to manage the Library's materials distribution system and maintain buildings and grounds so that library services are delivered in clean and comfortable environments, and materials are readily available to patrons.

<b>Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Facilities Maintenance and Materials Distribution Services	6,141,000	6,066,279	7,960,893	8,205,791

#### **Finance Services Program**

The purpose of the Finance Services Program is to provide accurate financial, purchasing, and budget services to, and on behalf of, the Library so that it is accountable for maximizing its resources in carrying out its mission.

<b>Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Finance Services	1,105,308	1,415,868	1,056,694	1,056,895

#### **Safety and Security Services Program**

The purpose of the Safety and Security Services Program is to provide safety and security services so that library services are delivered in a safe and comfortable atmosphere.

<b>Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Safety and Security Services	1,058,832	1,118,405	1,379,856	1,427,904

# The Seattle Public Library

## City Librarian's Office

The purpose of the City Librarian's Office is to provide leadership for the Library in the implementation of policies and strategic directions set by the Library Board of Trustees.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
City Librarian	335,274	436,068	466,670	481,513
Communications	470,560	594,003	541,357	557,787
<b>Total</b>	<b>805,834</b>	<b>1,030,071</b>	<b>1,008,027</b>	<b>1,039,300</b>

*The following information summarizes the programs in City Librarian's Office Budget Control Level:*

### **City Librarian Program**

The purpose of the City Librarian's Office is to provide leadership for the Library in implementing the policies and strategic direction set by the Library Board of Trustees, and in securing the necessary financial resources to operate the Library in an effective and efficient manner. The City Librarian's Office serves as the primary link between the community and the Library, and integrates community needs and expectations with Library resources and policies.

<b>Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
City Librarian	335,274	436,068	466,670	481,513

### **Communications Program**

The purpose of the Communications Program is to ensure that the public and Library staff are fully informed about Library operations, which includes 6,000 annual public programs. The office contributes to the Library's web site, a 24/7 portal to library services, and provides timely and accurate information through a variety of other methods.

<b>Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Communications	470,560	594,003	541,357	557,787

## Human Resources

The purpose of Human Resources is to provide responsive and equitable services, including human resources policy development, recruitment, classification and compensation, payroll, labor and employee relations, volunteer services, and staff training services so that the Library maintains a productive and well-supported work force.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Human Resources	1,173,327	1,037,672	1,074,409	1,110,903
<b>Total</b>	<b>1,173,327</b>	<b>1,037,672</b>	<b>1,074,409</b>	<b>1,110,903</b>

## The Seattle Public Library

### Information Technology

The purpose of Information Technology division is to coordinate the Library's Web services and provide quality data processing infrastructure and services so that Library patrons and staff have free and easy access to a vast array of productivity tools, ideas, information, and knowledge.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Information Technology	3,209,336	3,241,948	5,527,071	4,907,955
<b>Total</b>	<b>3,209,336</b>	<b>3,241,948</b>	<b>5,527,071</b>	<b>4,907,955</b>

### Library Services

The purpose of the Library Services Division is to provide services, materials, and programs that benefit and are valued by Library patrons. Library Services provides technical and collection services in order to provide information access and Library materials to all patrons.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Central Library Services	11,585,901	11,867,226	13,999,986	14,637,966
Neighborhood Libraries	16,372,581	17,225,694	21,164,679	22,172,709
Technical and Collection Services	7,720,102	8,025,309	9,711,550	9,995,707
<b>Total</b>	<b>35,678,585</b>	<b>37,118,228</b>	<b>44,876,215</b>	<b>46,806,382</b>

# The Seattle Public Library

The following information summarizes the programs in Library Services:

## Central Library Services Program

The purpose of the Central Library Services Division is to operate the Central Library and to provide systemwide services including borrower services, outreach services, specialized services for children, teens and adults as well as immigrant and refugee populations; and event services, and public education and programming. Central Library Services also provides in-depth information, extensive books and materials, and service coordination to patrons and staff at branches so they have access to more extensive resources than would otherwise be available at a single branch.

Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Central Library Services	11,585,901	11,867,226	13,999,986	14,637,966

## Neighborhood Libraries Program

The purpose of Neighborhood Libraries is to provide services, materials, and programs close to where people live and work to support independent learning, cultural enrichment, recreational reading, and community involvement.

Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Neighborhood Libraries	16,372,581	17,225,694	21,164,679	22,172,709

## Technical and Collection Services Program

The purpose of Technical and Collection Services is to make library books, materials, databases, downloadable materials, and the library catalog available to patrons.

Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Technical and Collection Services	7,720,102	8,025,309	9,711,550	9,995,707

## Library Fund Table

### Library Fund (10410)

	2011 Actuals	2012 Adopted	2012 Revised	2013 Proposed	2014 Proposed
<b>Beginning Fund Balance</b>	<b>933,000</b>	<b>0</b>	<b>625,055</b>	<b>625,052</b>	<b>1,657,271</b>
Accounting and Technical Adjustments	-7,000	0	0	0	0
Plus: Actual and Estimated Revenues	49,281,091	51,803,636	51,803,634	64,605,400	66,552,380
Less: Actual and Budgeted Expenditures	49,582,037	51,803,636	51,803,636	63,573,181	65,268,784
<b>Ending Fund Balance</b>	<b>625,055</b>	<b>0</b>	<b>625,052</b>	<b>1,657,271</b>	<b>2,940,867</b>
<b>Ending Unreserved Fund Balance</b>	<b>625,055</b>	<b>0</b>	<b>625,052</b>	<b>1,657,271</b>	<b>2,940,867</b>

# The Seattle Public Library

## Capital Improvement Program Highlights

The Seattle Public Library's facilities include 26 branch libraries and the Central Library, as well as a storage facility and leased shops space. In 2008, the Library completed the final building projects of a system wide capital program, known as "Libraries for All" (LFA). As a result of this \$291 million program, which was funded by a combination of public and private sources, Seattle has a new Central Library and four new branch libraries at Delridge, International District/Chinatown, Northgate, and South Park. In addition, each of the 22 branch libraries that were in the system as of 1998 was renovated, expanded, or replaced. The LFA program increased the amount of physical space that the Library maintains by 80% to a total of over 600,000 square feet.

The voter-approved 2012 Library Levy will allow the Library to sustain LFA improvements with appropriate asset management. This effort is especially critical as all Library buildings will pass the ten-year mark from their LFA construction/renovation during the seven-year Levy period. The Library will use \$2.75 million of Levy funds in 2013, combined with \$500,000 in Real Estate Excise Tax (REET) funding, to maintain and improve facilities across the system. An additional \$177,000 in REET funding will support ADA access improvements.

Library buildings are some of the most intensively-used public facilities in Seattle. The Central Library hosts approximately 2 million visitors annually, and library branches see another 5 million visitors. Even the quietest branch has more than 70,000 people walk through the door each year. The Library's historic landmark buildings have unique features such as brick facades, slate roofs, and other details, and it is important to use designs and materials consistent with their landmark status - all factors that increase major maintenance costs. The Central Library poses a different set of challenges. A building of its size, complexity, and intensity of use requires significant annual major maintenance to preserve core functionality and continually improve building efficiency.

### Asset Preservation

The overriding priority of the Library's capital program is extending the useful life of buildings for as long as possible. Major repairs and replacement to roofs, building envelopes, HVAC and other critical building systems, doors, windows, flooring, and casework are examples of the asset preservation items that must be funded through the Library's CIP budget. The Library has allocated approximately \$1,650,000 of its 2013 CIP to branch asset preservation work, including a package of modest but important refurbishment work at the NewHolly and Capitol Hill branches, both of which were among the earliest Libraries for All (LFA) construction projects. As buildings reach the ten year mark, they generally require attention to flooring, casework, finishes, and restroom fixtures. The Green Lake Branch is due for some major roof and building envelope repairs, and the Douglass-Truth Branch is slated for more minor roof work. At the Ballard Branch the Library will install a code-required noise shield for the HVAC system. Restrooms at several branches will be refurbished. Additional branch asset preservation work addresses doors, windows, and parking lot maintenance.

The Library has allocated approximately \$460,000 in 2013 for asset preservation work at the Central Library. The Library will replace the uninterruptible power supply (UPS) in the data center that serves the entire system to ensure it can be serviced safely. Additional asset preservation work will address finishes, casework, and minor restroom refurbishment.

In addition to Levy funded CIP work, \$500,000 in REET funding in both 2013 and 2014 will be used to restructure library spaces to address changes in usage patterns and enhanced use of libraries as places for community engagement. As Library resources and programming evolve to meet customer interests, there are opportunities to use spaces in innovative ways that provide flexibility, expand learning opportunities, and encourage interaction.

Additional Library CIP work in 2013 will address operational efficiency and environmental sustainability goals, such as branch lighting and Central Library building system improvements. Safety and security work will include parking lot safety improvements. Finally, the entire 2013 allocation of \$177,000 to the ADA Improvements Project will be allocated to the branches for a variety of building access improvements.

# The Seattle Public Library

## Capital Improvement Program Appropriation

	2013 Proposed	2014 Proposed
<b>ADA Improvements - Library: B301112</b>		
Cumulative Reserve Subfund - REET I Subaccount (00163)	177,000	0
<b>Subtotal</b>	<b>177,000</b>	<b>0</b>
<b>Library Major Maintenance: B301111</b>		
Cumulative Reserve Subfund - REET I Subaccount (00163)	500,000	500,000
Library Capital Subfund	2,748,000	3,056,000
<b>Subtotal</b>	<b>3,248,000</b>	<b>3,556,000</b>
<b>Total Capital Improvement Program Appropriation</b>	<b>3,425,000</b>	<b>3,556,000</b>



# **Health & Human Services**



# Education-Support Services Levy

Holly Miller, Office for Education

Department Information Line: (206) 233-5118

On the Web at: <http://www.seattle.gov/neighborhoods/education>



## Education-Support Services Levy Overview

Department of Neighborhoods' Office for Education (OFE) staff administers the Education-Support Services Levy, otherwise known as the Families and Education Levy (FEL) and previously known as the Educational and Development Services Levy. At its core, OFE is responsible for developing the City's education policy and investment strategy to help children succeed in school, strengthen school-community connections, and increase access to high-quality programs supporting academic achievement. In addition to OFE, implementing departments include the Human Services Department, the Department of Parks and Recreation, and Public Health - Seattle & King County. OFE is responsible for building 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. OFE publishes annual reports detailing program targets adopted by the Levy Oversight Committee (LOC) and program results.

In November 2011, Seattle voters approved the \$231 million Levy renewal (the 2011 Families and Education Levy) for the period of 2012-2018. The 2011 Families and Education Levy continues to invest in early learning, elementary, middle school, high school, and health programs to achieve four goals:

- Improve children's readiness for school;
- Enhance students' academic achievement and reduce the academic achievement gap;
- Decrease students' dropout rate and increase graduation from high school; and
- Prepare students for college and/or careers after high school. (New goal established with 2011 Levy)

## Education-Support Services Levy

The 2011 Levy program highlights include the following:

- Early learning services will be provided with significant enhancements to many more children at risk. This includes proposals to improve the quality of in-home friend, family, and neighbor care.
- The successful model of extended learning time, social/emotional supports, and after-school activities used at the middle schools will be continued and replicated in the elementary schools serving the greatest number of students at risk.
- Schools will adopt a model of preparing all students for college or career starting in middle school and continuing on through high school.
- Summer school will be funded to prevent learning loss at all grade levels.
- Successful programs, such as the school-based health centers, will continue.

These efforts are aligned with the goals of Seattle Public Schools and the Community Center for Education Results Initiative to double the number of students who enroll in post-secondary programs after high school and achieve a career credential.

In 2012, the Office for Education began implementing programs funded by the 2011 Levy during the 2012-2013 school year. To direct implementation, the City Council passed Ordinance #123834 (the Levy Implementation and Evaluation Plan) and Resolution #31385 (the Partnership Agreement between the City of Seattle and Seattle Public Schools). As directed by the Implementation Plan, OFE staff conducted 11 Requests for Qualification and Requests for Investment processes to competitively select schools and community agencies for the 2012-2013 school year. OFE staff has also provided technical assistance to potential future Levy-funded community-based organizations that are interested in analyzing student data to improve academic outcomes

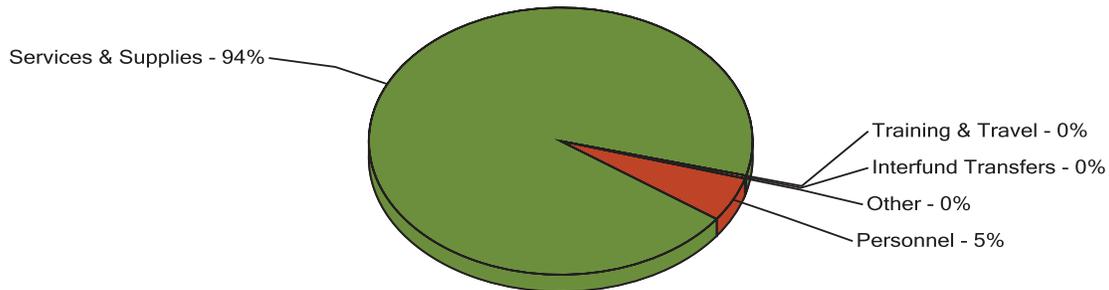
### Budget Snapshot

Department Support	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Other Funding - Operating	\$17,883,577	\$19,470,646	\$24,581,018	\$28,940,696
<b>Total Operations</b>	<b>\$17,883,577</b>	<b>\$19,470,646</b>	<b>\$24,581,018</b>	<b>\$28,940,696</b>
<b>Total Appropriations</b>	<b>\$17,883,577</b>	<b>\$19,470,646</b>	<b>\$24,581,018</b>	<b>\$28,940,696</b>
Full-time Equivalent Total*	6.50	8.00	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.*

# Education-Support Services Levy

## 2013 Proposed Budget - Expenditure by Category



### Budget Overview

The 2011 Families and Education Levy approved by Seattle voters substantially increases the overall funding available to support children and their families, both in and out of school, in an effort to help all Seattle's children succeed academically. Outlined below is an overview of the six key program areas that were recommended by the 2011 Families and Education Levy Advisory Committee and funded in the new Levy:

- 1. Early Learning and School Readiness:** Includes funding for up to 736 Step Ahead pre-school slots annually for 4-year olds once the program is fully established; professional development and health screenings for Step Ahead, Early Childhood Education and Assistance Program (ECEAP), Head Start, Comprehensive Childcare Program (CCCP), and Family Friend & Neighbor (FFN) sites; home visitation for 2-3 year olds (160 families annually); and support for families and 300 children entering kindergarten each year.
- 2. Elementary School Academic Achievement:** Includes funding for extended learning time and out-of-school time initially at four schools, eventually ramping up to 23 schools; summer learning for up to 875 students once the program is fully established; and family support for both high-risk elementary students and refugee/immigrant and Native American families/students.
- 3. Middle School Academic Achievement and College/Career Preparation:** Includes funding for extended learning time and out-of-school time; social, emotional, and behavioral support, college and career planning at five schools, case management for college and career planning for up to 600 students once the program is fully ramped up; summer learning for up to 1,300 students at full implementation; and funding for out-of-school time transportation and sports.
- 4. High School Academic Achievement and College/Career Preparation:** Includes funding for extended learning time & social, emotional, and behavioral support for ninth graders at five schools, college and career planning at five schools, case management for college and career planning for up to 800 students once the program is fully established; college readiness assessments for all 10th graders in Seattle Public Schools; and summer learning for up to 500 students when fully implemented.

## Education-Support Services Levy

**5. Student Health:** Continues funding for school-based health centers (SBHCs) and nursing services at 5 middle schools and 10 high schools; continues the SBHC, nursing, and family engagement services at the Seattle World School; provides funding for health care, mental health interventions and community referrals for up to 555 students at 14 sites once the program is fully ramped up; implements a quality control system for mental health providers; and provides dental services for 16 schools.

**6. Administration, and Research and Evaluation:** Provides funding for staff in the Office of Education to provide oversight, administration, and strategic direction for the above referenced programs. These staff members are responsible for building strong partnerships with Seattle Public Schools, community funders, and community providers in order to ensure successful program development and implementation. As part of this program, the Levy funds ongoing research and evaluation driven by the use of data to make continuous program improvements. This provides a strong accountability structure for the 2011 Levy programs, including a data-sharing agreement with SPS and performance-based contracts tied to achieving specific indicator and outcome goals.

The program areas described above represent the investment areas critical for children to achieve the educational milestones that will put them on a successful path from pre-school to post-secondary attainment. The Budget Control Levels (BCLs) mirror these program areas.

The 2013-2014 Proposed Budget reflects the level of expenditure described in the 2011 Families and Education Levy financial plan approved by City Council in Ordinance 123567. The 2011 Levy can legally collect property taxes in the amount of \$231.6 million over seven years, from 2012-2018. In the first year, 2012, the amount levied was \$32.1 million. This amount is then inflated by 1% annually through 2018. The City expects to collect approximately \$230.6 million over seven years. In addition, from 2012 to 2018, the Levy fund is expected to earn \$4.9 million from interest earnings on the fund balance, resulting in a combined total revenue estimate of \$235.5 million.

The 2011 Levy program implementation plan expands program service delivery levels during each successive year to include a growing number of schools and children. Due to limitations of 1% annual growth in Levy amounts imposed by law, and to fund the expanded program levels in the latter years of the Levy, the funding strategy under-appropriates the revenues collected in the early years, and holds these funds in reserve within the City's Educational and Departmental Services Fund (displayed at the end of this section). These reserves will be used to fund the higher program and administration expenses planned for in the final years of implementation. For example, the Levy budget for 2013 appropriates only \$24.6 million of the \$32.7 million in total revenues expected to be collected in that year. The difference, \$8.1 million, will be reserved to fund anticipated increased costs in the out years.

## Education-Support Services Levy

### Incremental Budget Changes

#### Education-Support Services Levy

	2013		2014	
	Budget	FTE	Budget	FTE
<b>Total 2012 Adopted Budget</b>	<b>\$ 7,540,133</b>	<b>9.00</b>	<b>\$ 7,540,133</b>	<b>9.00</b>
<b>Baseline Changes</b>				
2011 Families and Education Levy Implementation Plan	\$ 17,040,885	0.00	\$ 21,400,563	0.00
<b>Total Incremental Changes</b>	<b>\$ 17,040,885</b>	<b>0.00</b>	<b>\$ 21,400,563</b>	<b>0.00</b>
<b>2013 - 2014 Proposed Budget</b>	<b>\$ 24,581,018</b>	<b>9.00</b>	<b>\$ 28,940,696</b>	<b>9.00</b>

### Description of Incremental Budget Changes

#### Baseline Changes

#### **2011 Families and Education Levy Implementation Plan - \$17,040,885**

The 2011 Families and Education Levy financial plan approved by City Council in Ordinance 123567 started with the 2012-2013 school year. Therefore, 2013 is the first full year of the seven-year Levy. Increases above the 2012 Adopted Budget amounts for the 2013-2014 Proposed Budget are as follows:

<u>Program Area</u>	<u>2013 Levy Increase</u>	<u>2014 Levy Increase</u>
Early Learning	\$4,059,428	\$5,543,021
Elementary	\$3,216,165	\$4,365,061
Middle Schools	\$3,273,993	\$4,235,769
High Schools	\$1,715,147	\$1,773,718
Health	\$3,798,234	\$4,476,235
Administration	\$844,585	\$873,426
Research and Evaluation	\$133,333	\$133,333
<b>Total</b>	<b>\$17,040,885</b>	<b>\$21,400,564</b>

## Education-Support Services Levy

### Expenditure Overview

Appropriations	Summit Code	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
<b>2004 Families and Education Levy</b>					
Academic Improvement Activities Budget Control Level	IL900	70	150,000	0	0
Administration and Evaluation Budget Control Level	IL700	803,621	505,798	0	0
Crossing Guards Budget Control Level	IL600	148,604	0	0	0
Early Learning Budget Control Level	IL100	4,307,698	2,518,341	0	0
Family Support and Family Involvement Budget Control Level	IL200	2,621,910	2,096,493	0	0
Middle School Support Budget Control Level	IL800	1,335,618	990,443	0	0
Out-of-School Time Budget Control Level	IL400	3,029,670	1,990,672	0	0
Student Health Budget Control Level	IL500	4,352,585	2,776,310	0	0
Support for High-Risk Middle and High School Age Youth Budget Control Level	IL300	1,283,871	902,455	0	0
<b>Total 2004 Families and Education Levy</b>		<b>17,883,577</b>	<b>11,930,512</b>		
<b>2011 Families and Education Levy</b>					
Administration and Evaluation Budget Control Level	IL702	0	409,396	1,453,981	1,482,823
Early Learning and School Readiness Budget Control Level	IL102	0	1,706,007	5,765,435	7,249,028
Elementary School Academic Achievement Budget Control Level	IL202	0	1,394,262	4,610,427	5,759,323
High School Academic Achievement and College/Career Preparation Budget Control Level	IL402	0	831,386	2,546,532	2,605,103
Middle School Academic Achievement and College/Career Preparation Budget Control Level	IL302	0	1,421,180	4,695,173	5,656,949
Research and Evaluation Budget Control Level	IL602	0	66,667	0	0

## Education-Support Services Levy

Student Health Budget Control IL502 Level	0	1,711,236	5,509,470	6,187,471
<b>Total 2011 Families and Education Levy</b>	<b>0</b>	<b>7,540,134</b>	<b>24,581,018</b>	<b>28,940,696</b>

<b>Department Total</b>	<b>17,883,577</b>	<b>19,470,646</b>	<b>24,581,018</b>	<b>28,940,696</b>
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<b>Department Full-time Equivalents Total*</b>	<b>6.50</b>	<b>8.00</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.*

## Revenue Overview

### 2013 Estimated Revenues for the 2004 Families and Education Levy (17856)

Summit Code	Source	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
411100	Taxes, Levies & Bonds	16,611,860	349,000	0	0
433010	Federal Grants	201,610	0	0	0
461110	Interest Earnings	145,222	268,544	0	0
	<b>Total Levy programs</b>	<b>16,958,692</b>	<b>617,544</b>	<b>0</b>	<b>0</b>
	<b>Total Revenues</b>	<b>16,958,692</b>	<b>617,544</b>	<b>0</b>	<b>0</b>
379100	Use of (Contribution to) Fund Balance	924,884	11,312,967	0	0
	<b>Total Use of Fund Balance</b>	<b>924,884</b>	<b>11,312,967</b>	<b>0</b>	<b>0</b>
	<b>Total Resources</b>	<b>17,883,576</b>	<b>11,930,511</b>	<b>0</b>	<b>0</b>

### 2013 Estimated Revenues for the 2011 Families and Education Levy (17857)

Summit Code	Source	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
411100	Taxes, Levies & Bonds	0	31,659,216	32,195,453	32,565,347
461110	Interest Earnings	0	264,175	573,199	682,361
	<b>Total Levy programs</b>	<b>0</b>	<b>31,923,391</b>	<b>32,768,652</b>	<b>33,247,708</b>
	<b>Total Revenues</b>	<b>0</b>	<b>31,923,391</b>	<b>32,768,652</b>	<b>33,247,708</b>
379100	Use of (Contribution to) Fund Balance	0	-24,383,248	-8,187,633	-4,307,012
	<b>Total Use of Fund Balance</b>	<b>0</b>	<b>-24,383,248</b>	<b>-8,187,633</b>	<b>-4,307,012</b>
	<b>Total Resources</b>	<b>0</b>	<b>7,540,143</b>	<b>24,581,019</b>	<b>28,940,696</b>

## Education-Support Services Levy

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

#### 2004 Families and Education Levy

##### Academic Improvement Activities Budget Control Level

The purpose of the Academic Improvement Activities Budget Control Level is to improve academic performance by providing resources and technical support for academic programs.

Program Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Academic Improvement Activities	0	150,000	0	0
<b>Total</b>	<b>0</b>	<b>150,000</b>	<b>0</b>	<b>0</b>

##### Administration and Evaluation Budget Control Level

The purpose of the Administration and Evaluation Budget Control Level is to see that Levy funds are used effectively and achieve their intended goals.

Program Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Administration and Evaluation	803,621	505,798	0	0
<b>Total</b>	<b>803,621</b>	<b>505,798</b>	<b>0</b>	<b>0</b>
Full-time Equivalents Total*	6.50	8.00	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.*

##### Crossing Guards Budget Control Level

The purpose of the Crossing Guards Budget Control Level is to provide safe transit corridors for students.

Program Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Crossing Guards	148,604	0	0	0
<b>Total</b>	<b>148,604</b>	<b>0</b>	<b>0</b>	<b>0</b>

##### Early Learning Budget Control Level

The purpose of the Early Learning Budget Control Level is to ensure children enter Seattle's schools ready to learn by increasing access for low-income families to higher quality and more extensive educational child care.

Program Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Early Learning	4,307,698	2,518,341	0	0
<b>Total</b>	<b>4,307,698</b>	<b>2,518,341</b>	<b>0</b>	<b>0</b>

## Education-Support Services Levy

### **Family Support and Family Involvement Budget Control Level**

The purpose of the Family Support and Family Involvement Budget Control Level is to improve academic achievement by providing culturally relevant family support services and community resources in schools, and by creating authentic partnerships among schools, parents, and communities.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Family Support and Family Involvement	2,621,910	2,096,493	0	0
<b>Total</b>	<b>2,621,910</b>	<b>2,096,493</b>	<b>0</b>	<b>0</b>

### **Middle School Support Budget Control Level**

The purpose of the Middle School Support Budget Control Level is to improve academic achievement by providing early intervention services to middle school students.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Middle School Support	1,335,618	990,443	0	0
<b>Total</b>	<b>1,335,618</b>	<b>990,443</b>	<b>0</b>	<b>0</b>

### **Out-of-School Time Budget Control Level**

The purpose of the Out-of-School Time Budget Control Level is to improve academic achievement by providing safe and academically focused after-school programs for middle and elementary school students.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Out-of-School Time	3,029,670	1,990,672	0	0
<b>Total</b>	<b>3,029,670</b>	<b>1,990,672</b>	<b>0</b>	<b>0</b>

### **Student Health Budget Control Level**

The purpose of the Student Health Budget Control Level is to reduce health-related barriers to learning and academic achievement by maintaining and expanding the existing infrastructure of school-based health services.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Student Health	4,352,585	2,776,310	0	0
<b>Total</b>	<b>4,352,585</b>	<b>2,776,310</b>	<b>0</b>	<b>0</b>

## Education-Support Services Levy

### Support for High-Risk Middle and High School Age Youth Budget Control Level

The purpose of the Support for High-Risk Middle and High School Age Youth Budget Control Level is to provide intensive services to middle and high school age youth to reduce risk factors that affect their ability to achieve academically and complete school.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Support for High-Risk Middle and High School Age Youth	1,283,871	902,455	0	0
<b>Total</b>	<b>1,283,871</b>	<b>902,455</b>	<b>0</b>	<b>0</b>

### 2011 Families and Education Levy

### Administration and Evaluation Budget Control Level

The purpose of the Administration Budget Control Level is to ensure that funds are invested effectively to achieve the Levy's goals of school readiness, academic achievement, reduced dropout rates and increased graduation rates, and student preparedness for college and/or careers after high school. Evaluation is not included in 2012.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Administration and Evaluation	0	409,396	1,453,981	1,482,823
<b>Total</b>	<b>0</b>	<b>409,396</b>	<b>1,453,981</b>	<b>1,482,823</b>

### Early Learning and School Readiness Budget Control Level

The purpose of the Early Learning and School Readiness Budget Control Level is to ensure that children enter Seattle's schools ready to learn by increasing access for low-income families to higher quality and more extensive educational child care, and expanding the number of current early childhood education programs.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Early Learning and School Readiness	0	1,706,007	5,765,435	7,249,028
<b>Total</b>	<b>0</b>	<b>1,706,007</b>	<b>5,765,435</b>	<b>7,249,028</b>

### Elementary School Academic Achievement Budget Control Level

The purpose of the Elementary School Academic Achievement Budget Control Level is to improve Seattle's elementary school-aged children's ability to achieve academically by investing in quality academic support programs.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Elementary School Academic Achievement	0	1,394,262	4,610,427	5,759,323
<b>Total</b>	<b>0</b>	<b>1,394,262</b>	<b>4,610,427</b>	<b>5,759,323</b>

## Education-Support Services Levy

### **High School Academic Achievement and College/Career Preparation Budget Control Level**

The purpose of the High School Academic Achievement and College/Career Preparation Budget Control Level is to improve Seattle's high school-aged children's ability to achieve academically, complete school, and be prepared for college and/or careers after high school by investing in quality academic support programs.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
High School Academic Achievement and College/Career Preparation	0	831,386	2,546,532	2,605,103
<b>Total</b>	<b>0</b>	<b>831,386</b>	<b>2,546,532</b>	<b>2,605,103</b>

### **Middle School Academic Achievement and College/Career Preparation Budget Control Level**

The purpose of the Middle School Academic Achievement and College/Career Preparation Budget Control Level is to improve Seattle's middle school-aged children's ability to achieve academically, complete school, and be prepared for college and/or careers after high school by investing in quality academic support programs.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Middle School Academic Achievement and College/Career Preparation	0	1,421,180	4,695,173	5,656,949
<b>Total</b>	<b>0</b>	<b>1,421,180</b>	<b>4,695,173</b>	<b>5,656,949</b>

### **Research and Evaluation Budget Control Level**

The purpose of the Research and Evaluation Budget Control Level is to provide research and evaluation of Levy programs to ensure that the City is effectively investing in programs that achieve the Levy's goals of school readiness, academic achievement, reduced dropout rates and increased graduation rates, and student preparedness for college and/or careers after high school. This program is moved to the Administration and Evaluation Budget Control Level in 2013.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Research and Evaluation	0	66,667	0	0
<b>Total</b>	<b>0</b>	<b>66,667</b>	<b>0</b>	<b>0</b>

## Education-Support Services Levy

### Student Health Budget Control Level

The purpose of the Student Health Budget Control Level is to reduce health-related barriers to learning so that students can achieve academically, complete school, and be prepared for college and/or careers after high school by investing in school-based health programs located at Seattle Public Schools.

Program Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Student Health	0	1,711,236	5,509,470	6,187,471
<b>Total</b>	<b>0</b>	<b>1,711,236</b>	<b>5,509,470</b>	<b>6,187,471</b>

### **Education Levy Fund Table**

#### Educational & Developmental Services Fund (17856)

	2011 Actuals	2012 Adopted	2012 Revised	2013 Proposed	2014 Proposed
<b>Beginning Fund Balance</b>	<b>15,184,000</b>	<b>13,730,000</b>	<b>14,231,802</b>	<b>1,400,533</b>	<b>1,400,533</b>
Accounting and Technical Adjustments	-27,314	0	0	0	0
Plus: Actual and Estimated Revenues	16,958,692	617,544	868,000	0	0
Less: Actual and Budgeted Expenditures	17,883,577	11,930,513	13,699,269	0	0
<b>Ending Fund Balance</b>	<b>14,231,802</b>	<b>2,417,031</b>	<b>1,400,533</b>	<b>1,400,533</b>	<b>1,400,533</b>
Reserved Fund Balance	14,231,802	2,417,031	1,400,533	1,400,533	1,400,533
<b>Total Reserves</b>	<b>14,231,802</b>	<b>2,417,031</b>	<b>1,400,533</b>	<b>1,400,533</b>	<b>1,400,533</b>
<b>Ending Unreserved Fund Balance</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

#### 2011 Families and Education Levy (17857)

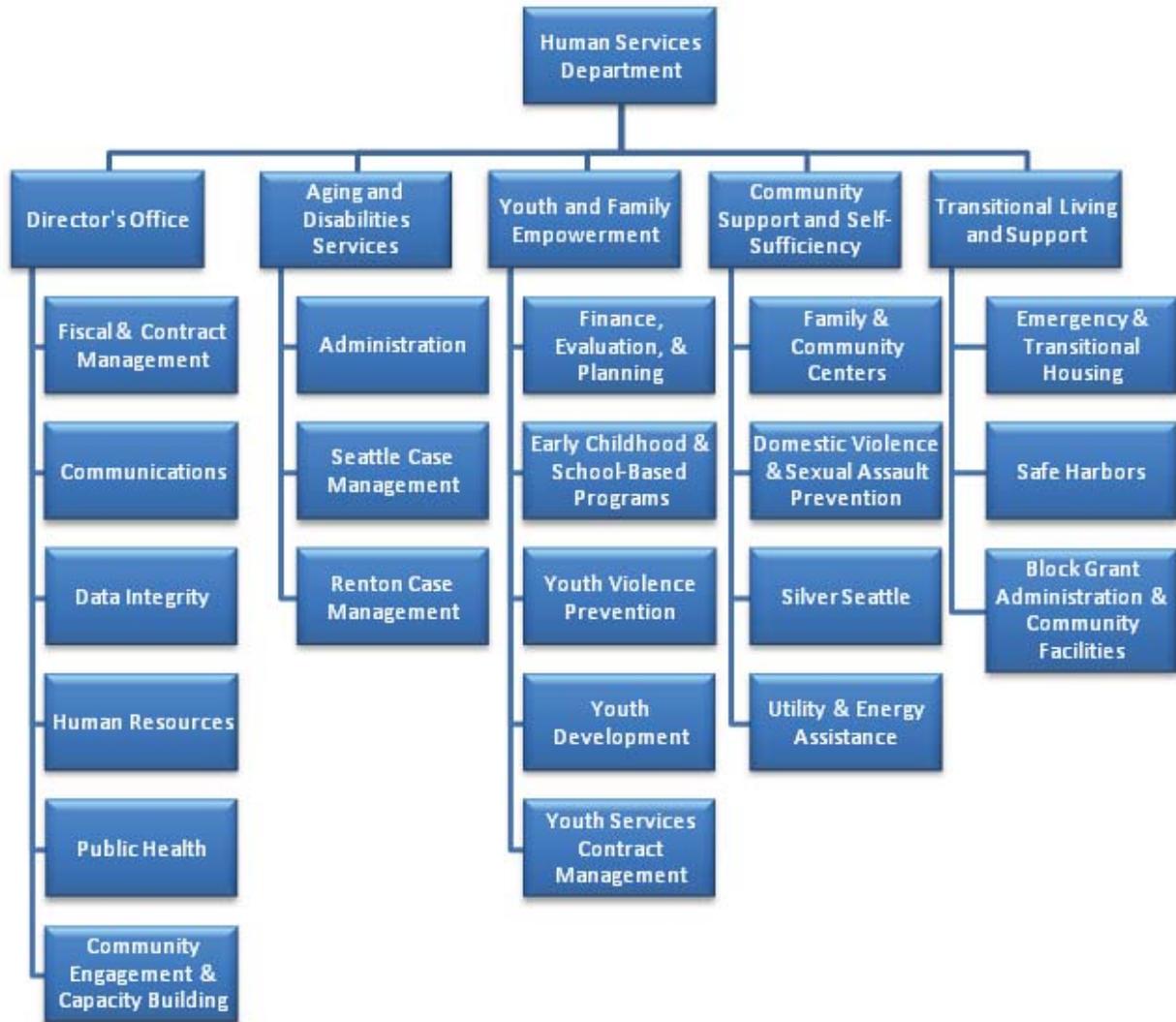
	2011 Actuals	2012 Adopted	2012 Revised	2013 Proposed	2014 Proposed
<b>Beginning Fund Balance</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>24,383,258</b>	<b>32,570,892</b>
Accounting and Technical Adjustments	0	0	0	0	0
Plus: Actual and Estimated Revenues	0	31,923,391	31,923,391	32,768,652	33,247,708
Less: Actual and Budgeted Expenditures	0	7,540,133	7,540,133	24,581,018	28,940,696
<b>Ending Fund Balance</b>	<b>0</b>	<b>24,383,258</b>	<b>24,383,258</b>	<b>32,570,892</b>	<b>36,877,904</b>
Reserved Fund Balance		24,383,258	24,383,258	32,570,892	36,877,904
<b>Total Reserves</b>		<b>24,383,258</b>	<b>24,383,258</b>	<b>32,570,892</b>	<b>36,877,904</b>
<b>Ending Unreserved Fund Balance</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

# Human Services Department

Dannette Smith, Director

Department Information Line: (206) 386-1001

On the Web at: <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 we can all live, learn, work, and take part in strong, healthy communities. HSD contracts with more than 230 community-based human service providers and administers programs to ensure Seattle residents have food and shelter, productive education and job opportunities, adequate health care, opportunities to gain social and economic independence and success, and many more of life's basic necessities. HSD staff is committed to working with the community to provide appropriate, culturally relevant services.

# Human Services Department

HSD's Strategic Plan, "Healthy Communities, Healthy Families," identifies a set of goals and actions to position HSD to better serve clients and strengthen the City's overall service delivery system. The strategic plan includes four key goals:

- Create a Proactive, Seamless Service System;
- Strengthen and Expand Partnerships;
- Engage and Partner with the Community; and
- Use Data-Driven Design and Evaluation.

In 2011, the Department organizational structure was changed to support the Strategic Plan. The realignment defines departmental results and measures, clarifies organizational functions and structure, links fiscal management with contracts development and monitoring and program delivery, and builds in a continuous quality improvement process based on data collection and analysis. These changes provide HSD with an organizational structure that is responsive, fluid, and sustainable, with a strong linkage between programs and the fiscal and contracting processes that support effective service delivery. The Department now consists of the following Divisions:

- Leadership and Administration;
- Youth and Family Empowerment;
- Community Support and Self-Sufficiency;
- Transitional Living and Support; and
- Aging and Disability Services.

In 2013, the Information Technology Program is renamed Data Integrity which also includes the Safe Harbors Homeless Management Information System Program, and the Financial Management Program is renamed Fiscal and Contract Administration. These name changes better reflect the functions of these programs and their relationship with the Strategic Plan.

HSD's work is funded by a variety of revenue sources, including federal, state and interlocal grants, and the City of Seattle General Fund. General Fund contributions leverage significant grant revenues to benefit Seattle residents. As a result, external grants represent approximately 53% of HSD's revenue, while General Fund represents 47%.

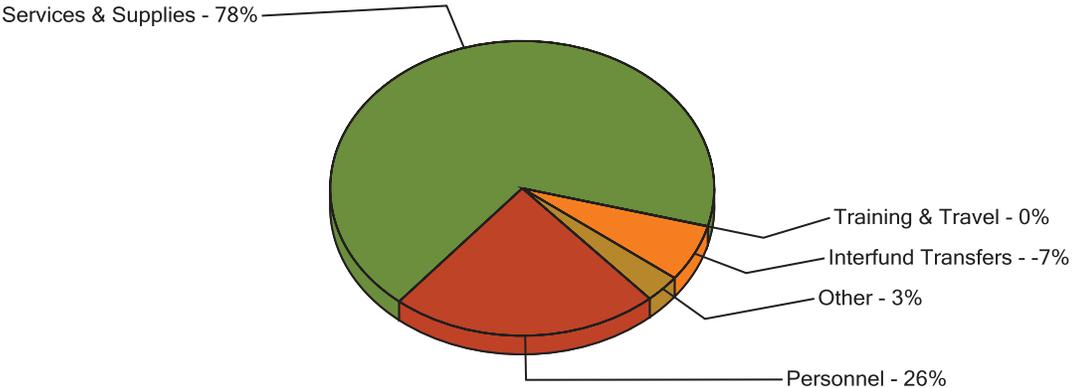
## Budget Snapshot

Department Support	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
General Fund Support	\$52,311,143	\$54,352,239	\$57,469,360	\$59,532,757
Other Funding - Operating	\$65,443,745	\$60,517,614	\$64,391,811	\$65,139,960
<b>Total Operations</b>	<b>\$117,754,888</b>	<b>\$114,869,853</b>	<b>\$121,861,170</b>	<b>\$124,672,717</b>
<b>Total Appropriations</b>	<b>\$117,754,888</b>	<b>\$114,869,853</b>	<b>\$121,861,170</b>	<b>\$124,672,717</b>
Full-time Equivalent Total*	323.10	316.10	338.60	341.60

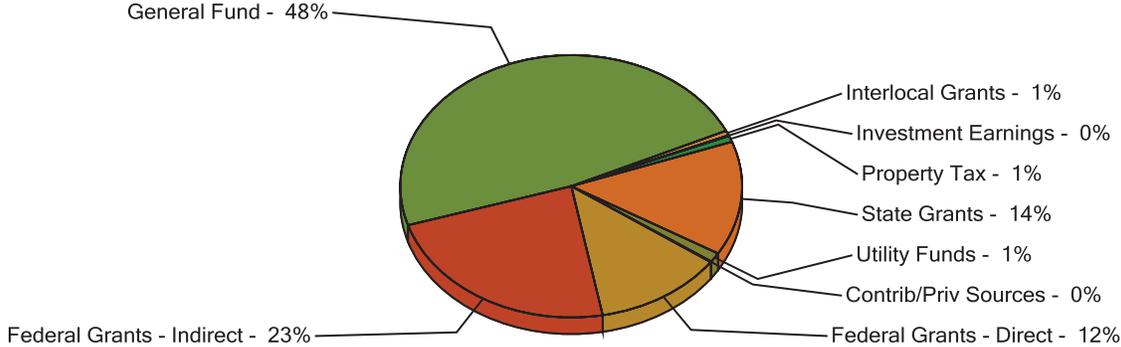
\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Personnel Director actions outside of the budget process may not be detailed here.

# Human Services Department

## 2013 Proposed Budget - Expenditure by Category



## 2013 Proposed Budget - Revenue by Category



# Human Services Department

## Budget Overview

In recognition of the Mayor's priority to enhance the safety net for Seattle's most vulnerable residents, the 2013-2014 Proposed Budget for the Human Services Department (HSD) preserves all direct services to the community and increases support in key program areas such as homelessness, domestic violence, childcare, and workforce development. This is particularly important now, as many individuals are experiencing continued and expanded need for direct human services to mitigate the continuing effects of the recession and reductions in funding by other public-sector entities.

First, the Human Services budget maintains all current community-based health and human services and includes General Fund inflationary increases for agencies and community partners for the first time since 2009, allowing agencies to respond to increases in their own internal costs and continue existing levels of service delivery. One-time use of Department fund balance is also programmed in 2013 offset potential reductions in General Fund resources and to support the overall Department budget.

Second, the Proposed Budget includes new investments that are based on national best practices, evidence-based evaluation, and consultation from on-the-ground community advocates to meet the most acute needs of the community. Most of the new investments support direct services that address the critical needs of the most vulnerable in these challenging economic times. New investments in the Center City Initiative Outreach and Engagement Team and the Career Bridge Program incorporate inter-agency and community-based collaboration to provide a comprehensive range of services to meet the specific needs of individuals. These investments are described further below.

### Increasing Assistance to Unsheltered Families

The Proposed Budget expands funding to assist homeless families with children through a national best practices service model that incorporates expanded outreach and engagement, coordinated entry and assessment, family reconciliation, diversion and progressive engagement models to rapidly move families from homelessness to housing. These components are essential for effective service delivery because they represent a coordinated and integrated approach to divert families from shelters, move families out of homelessness quickly, and help families remain in safe and stable housing. To support the service model, the Proposed Budget adds General Fund support to HSD's budget to maintain and expand shelter and housing services for homeless families with children, following further analysis of the effectiveness of these programs in 2012. The Proposed Budget includes continued funding for the diversion program that provides stabilization services for 23 families waiting to enter shelter; an expansion of the rapid re-housing program to assist 45 homeless families by placing them into housing with wrap around case management services, either before they enter the shelter system or directly from shelter; and expanded funding for the emergency vouchers and case management services program to support to approximately 80 families that have just become homeless. The Proposed Budget adds funding for two peer-to-peer liaisons and one case manager to effectively engage homeless families with services and housing, as well as funding for contracting and system coordination support staff.

Additionally, the Proposed Budget expands funding for outreach support and for case management services for homeless families and individuals living in their cars. The case management funding supports a full-time case manager and represents an increase to the existing Safe Parking Pilot Program. These outreach and case management activities will increase access to referral services, support the Safe Parking Program, and provide mitigation with scofflaw and other issues. Together, these changes continue \$360,000 of one-time investments in the 2012 Budget, and add an additional \$620,000 for a total of \$980,000 in General Fund support.

### Engaging Homeless in Downtown Neighborhoods

The Mayor's Center City Initiative (CCI) utilizes a new approach to address street disorder and support the health and vitality of downtown neighborhoods. A new CCI Outreach and Engagement Team will offer access to services and interventions for individuals that may exhibit signs of mental health or substance abuse

## Human Services Department

issues, aggressive or intimidating behavior, and apparent homelessness in Belltown, the Commercial Core, Pioneer Square and the Chinatown/International District. This team will include collaborative participation and support from the Seattle Police Department (SPD), HSD, Metro Transit Police, the Washington State Department of Corrections, and the private sector to provide specific interventions that will most effectively address the issues.

To engage homeless individuals as part of the CCI Initiative, HSD will contract with and deploy formerly homeless individuals as peer-to-peer liaisons. Working under the supervision of an outreach case manager, a position that will also be contracted through HSD, and in collaboration with other of the CCI Outreach and Engagement Team, the liaisons will help identify and engage homeless people living in downtown streets or in places not suitable for human habitation. The liaisons will connect with individuals on a personal level and connect them with specialized and targeted services. The additional proactive police services funded in this initiative will also focus on contacting homeless and/or mentally ill individuals and connecting them to services via the new HSD-contracted outreach workers. The CCI will leverage both existing and new funding to increase SPD's Community Police Team (CPT) participation, focusing on the long-term and often chronic problems specific to individual neighborhoods. In addition, the Union Gospel Mission will provide a designated mental health professional to provide daily services and connect individuals with significant mental health issues to appropriate services. The HSD Proposed Budget adds funding to support the peer-to-peer liaisons and the outreach case manager.

### **Supporting Domestic Violence and Sexual Assault Victims**

The Proposed Budget also adds funding for independent community-based housing for domestic violence survivors and their children that are homeless or at risk of becoming homeless. Survivors will also receive voluntary, culturally competent domestic violence services and financial assistance to support safety, housing stability and economic self-sufficiency. Funding is also added to strengthen organizing and coalition-building efforts for domestic violence and sexual assault service providers and other stakeholders.

### **Community Development Block Grant and Workforce Development**

In 2013 and 2014, the City is anticipating federal CDBG entitlement levels to remain unchanged from the 2012 actual level of approximately \$9.3 million. In 2013, the City completes its commitment of CDBG funding to the Rainier Valley Community Development Fund (RVCDF) with a final funding allocation of \$2 million. As a result, in 2013 and 2014, a portion of the City's anticipated CDBG entitlement is allocated for new purposes.

The U.S. Department of Labor shows that an important determinate of socio-economic advancement for is educational attainment beyond high school. In 2013, CDBG resources in HSD will support a new "Career Bridge" program, a partnership between the Office of Economic Development (OED) and the Human Services Department designed to prepare people in crisis or facing barriers to employment for the education and training necessary to secure employment that provides greater economic security. The program helps participants find employment while preparing them to be successful in the Pathways to Careers program, a partnership between OED, the Seattle Community College District and Seattle Employers that focuses on increasing the number of low-skilled working-age adults who complete a professional degree or credential that leads to a better paying and more secure job with benefits and opportunities for career advancement.

In 2013, the City will identify a Community Based Development Organization (CBDO) that will be the front line point of contact with individual participants as part of the Career Bridge Program. The CBDO will coordinate recruitment of individuals, and assess each individual's needs. In 2013, it is anticipated that the CBDO will provide each program participant with 20 hours of career building and job search training. In addition, the CBDO will connect potential employers with participants, and refer participants to job training and other post-secondary programs as necessary and appropriate. An important innovation of the Career Bridge program will be the integration of human and employment services tailored to meet the unique needs of the individuals served by the program. The CBDO, with support from the City's Human Service Department, will connect participants to appropriate housing options, childcare and transportation services so that participants can focus on career building activities.

## Human Services Department

The Seattle Jobs Initiative (SJI) will be a critical partner to HSD and OED in 2013 in developing the Career Bridge program. SJI has a strong record of providing adults with significant employment barriers with training and job placement services and is well suited to support the Career Bridge in its initial year. The Career Bridge program will be partially funded in 2013 by focusing \$150,000 of OED's workforce development contract with SJI to fund SJI's contributions to the Career Bridge program. In addition, HSD's 2013 Proposed Budget includes an allocation of \$60,000 in CDBG funds in 2013 to identify and develop at least one CBDO to be involved in administering the program. In 2014, it is anticipated that the CBDO will assume oversight and delivery of this program, and will partner with other community based organizations to serve as ongoing support to the individual participant as the individual moves toward stable employment. In 2014, the level of CDBG funds is increased to \$800,000 to be programmed by HSD to fully support the Career Bridge program through work with one or more CBDOS. The program will be developed and supported with existing City staff in OED and HSD in 2013-2014.

### Other Budget Changes

The Proposed Budget provides funding to increase the number of childcare subsidies for low- and moderate-income families who need affordable childcare in order to enter the workforce. The funding will allow HSD to provide childcare subsidies 75 children who are currently on the waiting list to receive such support. The Proposed Budget reflects grant-funded increases in funding and staff in the Aging and Disability Services programs. These include the New Freedom Program for in-home services funded by the Washington State Department of Health and Social Services, the Healthy Options expansion for intensive care management services funded by the Community Health Plans of Washington, and an increase in the volume of case management services funded by Medicaid.

Other changes in the Proposed Budget include the addition of grant funding and grant-supported staff to support the Out-of-School Youth Services Program funded by the Workforce Development Council. Grant funds and grant-funded staffing are also added in the Proposed Budget to accomplish planning work associated with vulnerable populations funded by the Federal Urban Areas Security Initiative. To support the implementation of HSD's data and performance-driven framework, the Budget changes three existing part-time positions to full-time status using existing resources identified in the Department's budget.

Finally, a series of technical adjustments makes inflation and benefit changes, miscellaneous departmental technical adjustments, and budget-neutral changes relating to HSD's division realignment.

# Human Services Department

## Incremental Budget Changes

### Human Services Department

	2013		2014	
	Budget	FTE	Budget	FTE
<b>Total 2012 Adopted Budget</b>	<b>\$ 114,869,853</b>	<b>316.10</b>	<b>\$ 114,869,853</b>	<b>316.10</b>
<b>Baseline Changes</b>				
Citywide Adjustments for Standard Cost Changes	\$ 2,940,482	0.00	\$ 5,916,911	0.00
Remove One-Time 2012 Adjustments	-\$ 443,700	0.00	-\$ 453,905	0.00
Nurse Family Partnership Full Year Costs	\$ 76,500	0.00	\$ 78,260	0.00
Use of Fund Balance - Baseline	\$ 0	0.00	\$ 0	0.00
Recognize Indirect Costs on 2012 Adjustments	\$ 56,139	0.00	\$ 57,430	0.00
<b>Proposed Policy Changes</b>				
Use of Fund Balance	\$ 0	0.00	\$ 0	0.00
Expanded Childcare Subsidies	\$ 500,000	0.00	\$ 511,500	0.00
Investments to Address Homelessness	\$ 980,000	0.00	\$ 1,003,125	0.00
Domestic Violence Support Programs	\$ 180,000	0.00	\$ 184,140	0.00
Center City Initiative Outreach and Engagement Team	\$ 133,000	0.00	\$ 136,059	0.00
Aging and Disability Services Program Expansion	\$ 2,486,271	19.50	\$ 2,804,213	22.50
Grant-Related Adjustments	\$ 101,560	2.00	\$ 52,405	2.00
Data and Evaluation Position Adjustments	\$ 0	1.25	\$ 0	1.25
CDBG - Career Bridge Program	\$ 60,000	0.00	\$ 800,000	0.00
<b>Proposed Technical Changes</b>				
Final Citywide Adjustments for Standard Cost Changes	\$ 429,622	0.00	\$ 290,566	0.00
Technical Adjustments	-\$ 508,557	-0.25	-\$ 1,577,840	-0.25
<b>Total Incremental Changes</b>	<b>\$ 6,991,317</b>	<b>22.50</b>	<b>\$ 9,802,864</b>	<b>25.50</b>
<b>2013 - 2014 Proposed Budget</b>	<b>\$ 121,861,170</b>	<b>338.60</b>	<b>\$ 124,672,717</b>	<b>341.60</b>

# Human Services Department

## Description of Incremental Budget Changes

### Baseline Changes

#### **Citywide Adjustments for Standard Cost Changes - \$2,940,482**

Citywide technical adjustments made in the "Baseline Phase" reflect changes due to inflation, central cost allocations, retirement, health care, workers' compensation, and employment costs. These adjustments reflect initial assumptions about these costs and inflators early in the budget process.

#### **Remove One-Time 2012 Adjustments - (\$443,700)**

The baseline budget is reduced to remove the one-time increase in 2012 for homeless families with children pending further evaluation of the effectiveness of the program outcomes in 2012. This funding is restored in the Proposed Budget as described below.

#### **Nurse Family Partnership Full Year Costs - \$76,500**

The baseline budget is increased to reflect the annualized funding level for the Nurse Family Partnership, a program that was added in 2012.

#### **Use of Fund Balance - Baseline**

The baseline budget reflects an increase in \$630,000 of ongoing General Fund support to address the one-time use of prior-year fund balance that was built into HSD's budget in 2012 and in prior years. There is no change in appropriation associated with this adjustment.

#### **Recognize Indirect Costs on 2012 Adjustments - \$56,139**

The baseline budget is increased to support indirect costs that HSD has incurred as a result of 2012 additions to the budget.

### Proposed Policy Changes

#### **Use of Fund Balance**

To avoid cuts to direct service programs that may have otherwise been required to address General Fund budget challenges, \$637,000 in one-time HSD unrestricted fund balance is programmed to support 2013 expenditures. This one-time use of fund balance represents accumulated savings in 2012 and is not assumed to be ongoing. There is no change in appropriation associated with this adjustment.

#### **Expanded Childcare Subsidies - \$500,000**

Funding available for the childcare subsidy program is increased by \$500,000 and will reduce the program wait list by 75 children. The subsidies help low- and moderate-income working families pay for childcare for children ages one month to 13 years. Childcare subsidies may remove a barrier to employment for parents.

# Human Services Department

## **Investments to Address Homelessness - \$980,000**

General Fund support is added to HSD's budget to maintain and expand shelter and housing services for homeless families with children, following further analysis of the effectiveness of these programs in 2012. The Proposed Budget continues the 2012 funding amount of \$120,000 for the diversion program that provides stabilization services for 23 families waiting to enter shelter; increases funding from \$150,000 to \$250,000 for the rapid re-housing program to assist 45 homeless families by placing them into housing with wrap around case management services, either before they enter the shelter system or directly from shelter; and increases funding from \$70,000 to \$275,000 for the emergency vouchers and case management services program to support to approximately 80 families that have just become homeless. The Proposed Budget adds \$135,000 in new funding for two peer-to-peer liaisons and one case manager to effectively engage homeless families with services and housing and \$110,000 for contracting and system coordination support.

Additionally, the Proposed Budget adds \$25,000 for outreach support and increases funding from \$20,000 to \$65,000 for case management services for homeless families and individuals living in their cars. The case management funding supports a full-time case manager and represents an increase to the existing Safe Parking Pilot Program. The outreach and case management activities will increase access to referral services, support the Safe Parking Program, and provide mitigation with scofflaw and other issues.

Together, these changes continue \$360,000 of one-time investments in the 2012 Budget, and add an additional \$620,000 for a total of \$980,000 in General Fund support.

## **Domestic Violence Support Programs - \$180,000**

The Proposed Budget adds \$120,000 for supportive housing for domestic violence survivors and their children in Seattle. The program will provide independent community-based housing for domestic violence survivors who are homeless or at risk of becoming homeless. Survivors will also receive voluntary, culturally competent domestic violence services and financial assistance to support safety, housing stability and economic self-sufficiency. The Proposed Budget also includes \$60,000 to strengthen organizing and coalition building efforts for domestic violence and sexual assault service providers and other stakeholders.

## **Center City Initiative Outreach and Engagement Team - \$133,000**

The Proposed Budget includes \$133,000 to support contracted positions including two peer-to-peer liaisons and an outreach case manager for the Center City Initiative Outreach and Engagement Team. The peer-to-peer liaisons will engage homeless individuals in the downtown neighborhoods, provide emergency support services, and assist homeless individuals to access additional services. The outreach case manager will oversee the work of peer-to-peer liaisons, and identify clients who are unsheltered through direct outreach activities and referrals from other providers.

## **Aging and Disability Services Program Expansion - \$2,486,271/19.50 FTE**

The Proposed Budget reflects approximately \$990,000 in new grant-supported revenue for the New Freedom Program. The New Freedom program is an option for individuals that require a nursing home level of care but choose to receive in-home services in place of moving into a skilled nursing facility. In mid-year 2012, the State of Washington Department of Social and Health Services contracted HSD to provide assessment and care consultation services to approximately 680 clients. To support the increased caseload, Aging and Disability Services has added a New Freedom specialist team with eight Counselors, one Senior Human Service Program Supervisor, one Registered Nurse Consultant, and one Social Services Aide.

The Proposed Budget reflects \$1.1 million of new grant-supported revenue for the Healthy Options expansion to the existing King County Care Partners contract with Community Health Plans of Washington (CHPW). King County Care Partners, administered by HSD's Aging and Disability Services, is a chronic care coordination model serving clients with high health care needs and costs. CHPW will contract with HSD to provide intensive care management services to an estimated 400 enrollees with special health care needs who are at high risk for re-hospitalization. To meet a 50:1 enrollee to staff ratio, one registered nurse, and three case managers are added.

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The Proposed Budget reflects projected growth in the Aging and Disability Services Case Management Program's service to Medicaid clients. One Senior Supervisor, two Counselors, a Social Services Aide and a 0.5 FTE Administrative Specialist I are added in 2013, and an additional 2.0 FTE Counselors are added in 2014. These positions will create capacity in the expanded program to serve low-income and ethnic minority elders, meet DSHS requirements, and implement HSD risk management strategies. A budget increase of approximately \$400K for the positions is fully funded by Medicaid.

### **Grant-Related Adjustments - \$101,560/2.00 FTE**

The Proposed Budget reflects the addition of two new positions funded by grant funds in 2013-2014. The first grant provides funding for an Out-of-School Youth Services Program, which began mid-year 2012 and addresses the education and employment needs of out-of-school youth, ages 14-21. The program is funded by the Workforce Development Council of Seattle/King County and funds a Youth Development Counselor position that provides educational support and work-readiness training for 30 youth who have dropped out of high school. Services include objective assessment, development of service strategy plans, school re-enrollment/GED enrollment, job training, career exploration and other services that lead to economic self-sufficiency.

The Proposed Budget also adds a Planning & Development Specialist I in HSD to address large-scale care issues for vulnerable populations. The work began mid-year 2012 and is supported by the Federal Urban Areas Security Initiative (UASI) funding allocated to the Seattle Police Department.

### **Data and Evaluation Position Adjustments/1.25 FTE**

To assist in the implementation of the performance and data-driven framework that HSD is developing to align investments with needs based on data, the Proposed Budget increases three existing part-time positions to full-time status using existing funding in the Department. One Strategic Advisor I position is increased by 0.5 FTE to 1.0 FTE in the Youth and Family Empowerment division and will be responsible for data analysis and evaluation as well as data reports. One Senior Planning and Development Specialist is increased by 0.5 FTE to 1.0 FTE in the Transitional Living & Support Division and will support the planning, policy development and evaluation efforts for over \$15 million of federal grants and ensure that federal funds are effectively targeted to benefit low- and moderate income persons as required by federal funding guidelines. Finally, 0.25 FTE of position authority is added to an existing 0.75 FTE Senior Project Funding and Agreement Coordinator to reflect the full body of work required for the position. This position conducts financial monitoring and fiscal review of contracts with community-based agencies. Funding for these position changes has been identified through administrative funding shifts and existing indirect allocation in the Department's budget.

### **CDBG - Career Bridge Program - \$60,000**

The Proposed Budget includes \$60,000 of CDBG resources in 2013 and \$800,000 in 2014 to implement the new "Career Bridge" program. The Career Bridge program will train and support 40 low- and moderate-income people in 2013 with 20 hours of career building and job search training, connection to potential employers, referral to job training and other post-secondary programs, and other services tailored to meet the unique needs of the participants. Full build-out of the program is anticipated to support 240 people in 2014. The 2013 CDBG amount of \$60,000 is supplemented by \$150,000 of redirected General Fund in OED's budget for the Seattle Jobs Initiative to provide transitional support to this program, resulting in a total funding level of \$210,000 in 2013.

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## Proposed Technical Changes

### **Final Citywide Adjustments for Standard Cost Changes - \$429,622**

Citywide technical adjustments made in the "Proposed Phase" reflect changes due to inflation, central cost allocations, retirement, health care, workers' compensation, and unemployment costs. These adjustments typically reflect updates to preliminary cost assumptions established in the "Baseline Phase."

### **Technical Adjustments - (\$508,557)/(.25) FTE**

Department technical adjustments reflect changes in grant revenue, minor internal transfers for HSD's new organizational structure, and reallocation of internal costs. Technical adjustments also reflect the continuation of the Seniors Training Seniors in Computer education program that was funded in 2011 and 2012 with City Cable Funds. Community Development Block Grant (CDBG) funding for public services contracts is reduced by \$330,000 due to a reduction in CDBG funds between the 2012 Adopted Budget and the 2012 actual HUD allocation on account of the federal cap on CDBG expenditures for public services. The City's actual allocation of Emergency Shelter Grant (ESG) funds from HUD were \$350,000 greater in 2012 than anticipated in the 2012 Adopted Budget, and are expected to be maintained at this higher level. The ESG funds provide ongoing support to fund these public services in 2013-2014.

# Human Services Department

## Expenditure Overview

Appropriations	Summit Code	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
<b>CDBG - Human Services Department Budget Control</b>					
Employment Support Services		0	0	60,000	800,000
Homeless Intervention		4,897,288	3,833,569	3,503,244	3,503,244
Leadership and Corporate Services		187,839	987,825	987,845	987,845
<b>Total</b>	<b>6HSD10</b>	<b>5,085,127</b>	<b>4,821,394</b>	<b>4,551,089</b>	<b>5,291,089</b>
<b>Aging and Disability Services</b>					
<b>Aging and Disability Services - Area Agency on Aging Budget Control</b>					
Healthy Aging		7,840,793	7,649,738	7,593,019	7,624,951
Home-Based Care		26,018,262	22,454,674	25,260,431	26,016,259
Planning and Coordination		3,290,283	2,672,986	2,494,584	2,539,076
<b>Total</b>	<b>H60AD</b>	<b>37,149,337</b>	<b>32,777,398</b>	<b>35,348,034</b>	<b>36,180,285</b>
<b>Self-Sufficiency Budget Control Level</b>	<b>H60SS</b>	<b>1,787,749</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Community Support and Self-Sufficiency</b>					
<b>Community Support and Self Sufficiency Budget Control</b>					
Access to Benefits		0	1,532,927	1,843,414	1,858,524
Community Based Family Support		0	5,299,174	3,591,623	3,667,085
Domestic Violence and Sexual Assault Prevention		0	4,403,992	4,906,985	4,834,479
Mayor's Office for Senior Citizens		0	614,196	494,140	510,245
<b>Total</b>	<b>H90CS</b>	<b>0</b>	<b>11,850,290</b>	<b>10,836,162</b>	<b>10,870,334</b>
<b>Domestic Violence and Sexual Assault Prevention</b>					
<b>Domestic and Sexual Violence Prevention Budget Control Level</b>	<b>H40DV</b>	<b>4,454,233</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Early Learning and Family Support</b>					
<b>Early Learning and Family Support Budget Control Level</b>	<b>H80EL</b>	<b>12,692,243</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Leadership and Administration</b>					
<b>Leadership and Administration Budget Control</b>					
Data Integrity		1,362,764	1,503,386	2,834,526	2,926,578
Fiscal and Contract Administration		2,075,592	2,081,855	2,656,679	2,727,889
Human Resources		795,424	673,163	782,251	731,888
Leadership		3,147,769	3,027,234	2,791,540	2,845,845
<b>Total</b>	<b>H50LA</b>	<b>7,381,549</b>	<b>7,285,638</b>	<b>9,064,997</b>	<b>9,232,199</b>

# Human Services Department

## Public Health Services

### Public Health Services Budget Control

Alcohol and Other Drugs		1,450,850	1,451,172	1,480,195	1,514,239
Asthma		128,697	128,697	131,271	134,290
Family Support Services		539,816	1,017,816	1,114,672	1,140,310
Health Care Access		260,791	260,791	266,007	272,125
Health Care for the Homeless		1,530,874	1,530,874	1,561,491	1,597,405
HIV/AIDS		821,101	821,101	837,523	856,786
Oral Health		125,119	125,119	127,621	130,556
Primary Care: Medical and Dental		6,284,074	6,534,074	6,664,755	6,818,044
<b>Total</b>	<b>H70PH</b>	<b>11,141,322</b>	<b>11,869,644</b>	<b>12,183,537</b>	<b>12,463,755</b>

### Transitional Living and Support

<b>Community Facilities Budget Control Level</b>	<b>H30CF</b>	<b>238,168</b>	<b>0</b>	<b>0</b>	<b>0</b>
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### Transitional Living and Support Budget Control

Community Facilities		0	593,949	599,826	602,889
Emergency and Transitional Services		27,528,726	28,226,395	28,623,537	29,010,196
<b>Total</b>	<b>H30ET</b>	<b>27,528,726</b>	<b>28,820,344</b>	<b>29,223,363</b>	<b>29,613,085</b>

### Youth and Family Empowerment

#### Youth and Family Empowerment Budget Control

Early Learning and Family Support		0	6,142,476	9,006,878	9,138,788
Youth Services		0	11,302,670	11,647,112	11,883,182
<b>Total</b>	<b>H20YF</b>	<b>0</b>	<b>17,445,145</b>	<b>20,653,989</b>	<b>21,021,970</b>

### Youth Development and Achievement

<b>Youth Development and Achievement Budget Control Level</b>	<b>H20YD</b>	<b>10,296,434</b>	<b>0</b>	<b>0</b>	<b>0</b>
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<b>Department Total</b>		<b>117,754,888</b>	<b>114,869,853</b>	<b>121,861,170</b>	<b>124,672,717</b>
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<b>Department Full-time Equivalent Total*</b>		<b>323.10</b>	<b>316.10</b>	<b>338.60</b>	<b>341.60</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.

# Human Services Department

## Revenue Overview

### 2013 Estimated Revenues

Summit Code	Source	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
433010	US Dept of Housing & Urban Development (HUD) / Community Development Block Grant (CDBG)	5,085,127	4,821,394	4,551,089	5,291,089
433010	King County / Safe Harbors McKinney Grant I	274,091	286,625	286,738	286,738
433010	King County / Safe Harbors McKinney Grant III	121,080	97,375	97,375	97,375
433010	King County Public Health / Admin Match: Family Support Workers	43,096	0	0	0
433010	King County Superior Court / Juvenile Accountability Incentive Block Grant (JAIBG)	28,491	29,356	29,356	29,356
433010	University of WA / CDC-Program to Encourage Active, Rewarding Lives for seniors (PEARLS) dissemination	13,496	0	0	0
433010	US Dept of Housing & Urban Development (HUD) / Seattle Housing Authority (SHA) Client Case Management	373,000	373,000	373,000	373,000
433010	WA Dept of Social & Health Services (DSHS) / Administration on Aging (AoA) - Care Consultation Services for Veteran Directed home services	10,812	80,000	20,000	20,000
433010	WA Dept of Social & Health Services (DSHS) / Administration on Aging (AoA) - Nursing Home Diversion	-1,150	0	0	0
433010	WA Dept of Social & Health Services (DSHS) / Administration on Aging (AoA) - Nutritional Services Incentive Program (NSIP)	507,181	505,000	577,743	577,743
433010	WA Dept of Social & Health Services (DSHS) / Administration on Aging (AoA)- Alzheimer's Disease Supportive Services	2,312	0	0	0
433010	WA Dept of Social & Health Services (DSHS) / Chronic Disease Self-Mgmt	875	0	0	0
433010	WA Dept of Social & Health Services (DSHS) / Elder Abuse Survivors	10,658	0	20,833	0

## Human Services Department

433010	WA Dept of Social & Health Services (DSHS) / Federal-for Medicare beneficiary outreach and assistance	26,093	0	0	0
433010	WA Dept of Social & Health Services (DSHS) / Older Americans Act (OAA) - Elder Abuse Prevention	22,327	21,977	22,327	22,327
433010	WA Dept of Social & Health Services (DSHS) / Title III-B - Older Americans Act (OAA) Supportive Services	2,584,875	2,407,706	2,407,706	2,407,706
433010	WA Dept of Social & Health Services (DSHS) / Title III-C-1 - Older Americans Act (OAA) Congregate meals	1,713,836	1,774,070	1,809,551	1,845,742
433010	WA Dept of Social & Health Services (DSHS) / Title III-C-2 - Older Americans Act (OAA) Home delivered meals	780,435	876,519	894,049	911,930
433010	WA Dept of Social & Health Services (DSHS) / Title III-D - Older Americans Act (OAA) Health promotion	112,078	115,140	115,140	115,140
433010	WA Dept of Social & Health Services (DSHS) / Title III-E - Older Americans Act (OAA) National Family Caregiver	774,634	797,964	797,964	797,964
433010	WA Dept of Social & Health Services (DSHS) / Title V - Appropriation Act (Senior Employment)	46,462	0	0	0
433010	WA Dept of Social & Health Services (DSHS) / Title V - Older Americans Act (OAA) Senior Employment	309,207	362,553	0	0
433010	WA Dept of Social & Health Services (DSHS) / Title XIX - Home Care Workers' Health Care Insurance- BHP	7,271,243	0	1,200,000	1,350,000
433010	WA Dept of Social & Health Services (DSHS) / Title XIX - Local Care Management	477,835	750,000	0	0
433010	WA Dept of Social & Health Services (DSHS) / Title XIX - Medicaid Administrative Claiming	1,004,430	1,118,235	1,138,235	1,138,235
433010	WA Dept of Social & Health Services (DSHS) / Title XIX - Medicaid Case Mgmt	7,063,709	7,373,096	7,818,020	8,124,741
433010	WA Dept of Social & Health Services (DSHS) / Title XIX - Medicaid Home Care Worker Orientation for IP	56,447	0	63,195	64,690

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433010	WA Dept of Social & Health Services (DSHS) / Title XIX - Medicaid Home Care Worker Training Wages	563,009	2,138,796	2,138,796	2,138,796
433010	WA Dept of Social & Health Services (DSHS) / Title XIX - Medicaid Intensive Chronic Case Management	0	200,000	0	0
433010	WA Dept of Social & Health Services (DSHS) / Title XIX - Medicaid Nurse Delegation	6,997	11,427	23,000	23,000
433010	WA Dept of Social & Health Services (DSHS) / Title XIX - New Freedom	0	0	536,500	547,500
433010	WA Dept of Social & Health Services (DSHS) / US Dept of Agriculture (USDA) / Senior Farmers Market Nutrition	34,370	165,000	165,000	165,000
433010	WA Office of Superintendent of Public Instruction (OSPI) / Child and Adult Care Food Program	1,193,882	1,170,924	1,184,443	1,184,443
433010	WA Office of Superintendent of Public Instruction (OSPI) / Quality Incentive Program	31,682	0	0	0
433010	WA Office of Superintendent of Public Instruction (OSPI) / Summer Sack Lunch Supplement	14,845	0	0	0
433010	WA Office of Superintendent of Public Instruction (OSPI)/ Summer Food Service Program	408,535	525,634	522,097	522,097
433010	Within Reach / Food Stamp Education Grant	0	43,571	0	0
433010	Workforce Development Council (WDC) / Workforce Investment Act	907,701	897,676	1,003,361	1,003,361
	<b>Total Federal Grants - Indirect</b>	<b>31,873,700</b>	<b>26,943,038</b>	<b>27,795,518</b>	<b>29,037,973</b>
431110	US Dept of Health & Human Services / ARRA: Strengthening Communities Fund	245,535	0	0	0
431110	US Dept of Housing & Urban Development (HUD) / ARRA CDBG	138,223	0	0	0
431110	US Dept of Housing & Urban Development (HUD) / ARRA Homeless Prevention & Rapid Rehousing Program	2,578,325	0	0	0
431110	US Dept of Justice (DOJ) / Office of Justice /ARRA BYRNE Prostitution Youth Advocate	54,522	68,000	0	0
	<b>Total ARRA Federal Grant Direct</b>	<b>3,016,605</b>	<b>68,000</b>	<b>0</b>	<b>0</b>

## Human Services Department

433110	King County / ARRA - purchasing of fresh local produce, making healthy food more affordable	141,294	0	0	0
433110	King County Public Health / Communities Putting Prevention to Work (CPPW)	64,650	9,444	0	0
	<b>Total ARRA Federal Grant Indirect</b>	<b>205,945</b>	<b>9,444</b>	<b>0</b>	<b>0</b>
439090	City of Seattle / Cable Television Franchise Subfund	115,438	0	0	0
439090	City of Seattle Ordinance #120907 / Sex Industry Victims Fund - Care and Treatment for Sex Industry Workers	35,000	25,000	25,000	25,000
439090	Seattle Neighborhood Group 4H	0	0	0	0
439090	United Way / United Way	256	91,800	85,000	85,000
	<b>Total Contrib./Priv Sources</b>	<b>150,694</b>	<b>116,800</b>	<b>110,000</b>	<b>110,000</b>
431010	US Department of Education (DOE) / Upward Bound	418,318	402,220	435,840	435,840
431010	US Dept of Education (DOE) / Seattle Early Reading First (SERF)	764,006	0	0	0
431010	US Dept of Housing & Urban Development (HUD) / Emergency Shelter Grants Program (ESGP)	567,554	579,707	976,865	976,865
431010	US Dept of Housing & Urban Development (HUD) / Housing Opportunities for People with AIDS (HOPWA) Grant	1,683,917	1,706,000	1,814,768	1,814,768
431010	US Dept of Housing & Urban Development (HUD) / McKinney Grant	9,239,050	10,828,929	10,825,048	10,825,048
431010	US Dept of Justice (DOJ) / Disability Svcs - Domestic Violence (DV) Education, training, and enhanced services to end violence against and abuse of women with disabilities	1,246	0	0	0
431010	US Dept of Justice (DOJ) / Domestic Violence (DV) Transitional Housing	92,893	95,430	86,500	86,500
431010	US Dept of Justice (DOJ) / Grants to Encourage Arrest Policies (GEAP)	365,540	181,045	575,000	400,000
431010	US Dept of Justice (DOJ) / Justice Assistance Grant (JAG)	0	0	0	0
431010	WA Dept of Social & Health Services (DSHS) / ARRA US Dept of Labor (DOL) - Title V Recovery Act Fund	0	0	0	0
	<b>Total Federal Grants - Direct</b>	<b>13,132,525</b>	<b>13,793,331</b>	<b>14,714,021</b>	<b>14,539,021</b>

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587001	General Subfund Support	51,493,875	54,352,238	57,469,360	59,532,757
587001	General Subfund Support	0	0	0	0
	<b>Total General Fund</b>	<b>51,493,875</b>	<b>54,352,238</b>	<b>57,469,360</b>	<b>59,532,757</b>
437010	Bill and Melinda Gates Foundation / Gates: Integration of Benefits	150,000	0	0	0
437010	Families and Education Levy / Performance Funds	5,104	117,805	100,000	100,000
437010	Gates Foundation / Safe Harbors Grant	0	71,000	0	0
437010	King County / Gates Funds	24,295	0	0	0
437010	King County / Human Services Levy - Program to Encourage Active Rewarding Lives for Seniors (PEARLS)	100,268	0	112,000	112,000
437010	King County / KC McKinney Consultant Share	212	0	0	0
437010	King County / King County Safe Harbors	0	195,000	0	0
437010	King County / Levy funds for Veteran Case Management	100,268	0	112,000	112,000
437010	King County / Mental Illness & Drug Dependency (MIDD)	44,385	0	0	0
437010	King County / Safe Harbors - Safe Harbors Levy Replace Fee	0	0	175,000	175,000
437010	King County / Safe Harbors Levy	275,000	96,217	0	0
437010	King County / Safe Harbors Homeless Blck Grnt	0	0	125,000	125,000
437010	Seattle Housing Authority (SHA) / New Citizen Initiative	25,000	25,000	25,000	25,000
437010	United Way / Safe Harbors Grant	37,500	75,000	75,000	75,000
437010	Wallmart Foundation / Summer Nutrition Grant	150,408	0	0	0
	<b>Total Interlocal Grants</b>	<b>912,440</b>	<b>580,022</b>	<b>724,000</b>	<b>724,000</b>
461110	WA Dept of Social & Health Services (DSHS) / Interest - State Cash Advance	34,559	80,000	100,000	100,000
	<b>Total Investment Earnings</b>	<b>34,559</b>	<b>80,000</b>	<b>100,000</b>	<b>100,000</b>
541490	City of Seattle Office of Housing (OH) / Housing Levy	131,631	849,600	934,560	934,560
	<b>Total Property Tax Levy (Housing)</b>	<b>131,631</b>	<b>849,600</b>	<b>934,560</b>	<b>934,560</b>
433010	WA Dept of Social & Health Services (DSHS) / Title XIX - New Freedom	0	0	536,500	547,500
434010	WA Dept of Community, Trade & Economic Dev (CTED) / Homeless Data Collection	-74,102	125,000	0	0
434010	WA Dept of Early Learning (DEL) / Early Childhood Education Assistance Program (ECEAP)	2,187,198	2,189,975	2,299,500	2,299,500

## Human Services Department

434010	WA Dept of Social & Health Services (DSHS) / Care Workers Insurance	24,129	73,302	0	0
434010	WA Dept of Social & Health Services (DSHS) / Family Caregivers	1,933,360	2,139,666	3,126,586	3,126,586
434010	WA Dept of Social & Health Services (DSHS) / Kinship Care Navigator	86,673	84,785	84,785	84,785
434010	WA Dept of Social & Health Services (DSHS) / Kinship Care Support	133,776	233,200	233,200	233,200
434010	WA Dept of Social & Health Services (DSHS) / Kinship Child Program	24,697	40,000	40,000	40,000
434010	WA Dept of Social & Health Services (DSHS) / Office of Refugee & Immigrant Administration (ORIA) - New Citizenship Initiative (NCI)	344,792	0	350,537	350,537
434010	WA Dept of Social & Health Services (DSHS) / Prescription Drugs Information & Assistance	17,560	17,560	17,560	17,560
434010	WA Dept of Social & Health Services (DSHS) / Respite Home Care Workers' Health Care Insurance & Training	91,171	150,468	157,991	165,891
434010	WA Dept of Social & Health Services (DSHS) / Senior Citizens Service Act	1,920,565	2,098,984	2,236,474	2,236,474
434010	WA Dept of Social & Health Services (DSHS) / Title XIX Local Care Management - State Portion	477,835	750,000	0	0
434010	WA Dept of Social & Health Services (DSHS) / Title XIX Medicaid Case Mgmt - State Portion	7,063,709	7,373,096	7,818,020	8,124,741
	<b>Total State Grants</b>	<b>14,231,364</b>	<b>15,276,036</b>	<b>16,901,153</b>	<b>17,226,774</b>
461320	Unrealized Gains/Losses-Inv GASB31	0	0	0	0
	<b>Total Unreald Gns/Losses-Inv GASB31</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
541490	City of Seattle / Utility Rate Assistance	864,640	917,675	961,875	961,875
541490	City of Seattle / Water Conservation Pilot Project	17,276	0	0	0
541490	Seattle City Light (SCL) / Credit Liaison (Project Share)	334,966	374,018	383,332	383,332
541490	Seattle Public Utilities (SPU) / Water Energy Assistance Program	48,203	49,097	54,258	54,258
	<b>Total Utility Funds</b>	<b>1,265,085</b>	<b>1,340,790</b>	<b>1,399,465</b>	<b>1,399,465</b>
	<b>Total Revenues</b>	<b>116,448,423</b>	<b>113,409,299</b>	<b>120,148,077</b>	<b>123,604,550</b>

## Human Services Department

379100	Fund Balance - Accumulated Child Care Bonus Funds	500,000	500,000	500,000	500,000
379100	Fund Balance - Accumulated HOME funds	150,000	0	0	0
379100	Fund Balance - Accumulated Sex Industry Victim's Fund	45,000	45,000	45,000	45,000
379100	Use of (Contribution To) Fund Balance	621,466	915,554	1,143,093	498,167
	<b>Total Use of Fund Balance</b>	<b>1,316,466</b>	<b>1,460,554</b>	<b>1,688,093</b>	<b>1,043,167</b>
<b>Total Resources</b>		<b>117,764,889</b>	<b>114,869,853</b>	<b>121,836,170</b>	<b>124,647,717</b>

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

### **CDBG - Human Services Department Budget Control Level**

The purpose of the Community Development Block Grant (CDBG) - Human Services Department Budget Control Level is to find and fund solutions for human needs so low-income, vulnerable residents in greater Seattle can live and thrive.

Additional Information: HSD contracts with community-based human service providers and administers programs to see that residents of Seattle and King County have access to homeless shelters, transitional housing, and other emergency services. The federal CDBG program provides a major source of funding for community development programs affecting Seattle's low- and moderate-income households and neighborhoods. The City of Seattle makes these investments so all families and individuals can meet their basic needs, share in economic prosperity, and participate in building a safe, healthy, educated, just, and caring community. Policies and priorities for distributing CDBG funds to community-based organizations are set out in the City's Consolidated Plan for Housing and Community Development, which is coordinated by the Human Services Department.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Employment Support Services	0	0	60,000	800,000
Homeless Intervention	4,897,288	3,833,569	3,503,244	3,503,244
Leadership and Corporate Services	187,839	987,825	987,845	987,845
<b>Total</b>	<b>5,085,127</b>	<b>4,821,394</b>	<b>4,551,089</b>	<b>5,291,089</b>

# Human Services Department

*The following information summarizes the programs in CDBG - Human Services Department Budget Control Level:*

## Employment Support Services Program

The purpose of the Employment Support Services Program is to increase economic opportunities for low-income people through training and support services. CDBG funds support the City's initiatives to increase economic opportunities through job training and placement and other employment support services, including, but not limited to, peer support programs, counseling, child care, transportation, and other similar services.

	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
<b>Expenditures</b>				
Employment Support Services	0	0	60,000	800,000

## Homeless Intervention Program

The purpose of the Homeless Intervention Program is to provide homeless intervention and prevention services to low-income and homeless people so they can become self-sufficient. CDBG funds support the City's continuum-of-care model by providing a number of emergency and stabilization programs including, but not limited to, emergency shelter and transitional housing for homeless single men, women, and families; hygiene services; housing counseling; and rent assistance.

	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
<b>Expenditures</b>				
Homeless Intervention	4,897,288	3,833,569	3,503,244	3,503,244

## Leadership and Corporate Services Program

The purpose of the Leadership and Corporate Services Program is to provide administration, planning, and technical assistance to City departments and community-based organizations to implement CDBG-funded programs efficiently and effectively. CDBG funds support the City's planning and grant administration functions to ensure compliance with all applicable federal regulations.

	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
<b>Expenditures</b>				
Leadership and Corporate Services	187,839	987,825	987,845	987,845

# Human Services Department

## Aging and Disability Services - Area Agency on Aging Budget Control Level

The purpose of the Aging and Disability Services - Area Agency on Aging Budget Control Level is to provide a network of community support that improves choice, promotes independence, and enhances the quality of life for older people and adults with disabilities.

Additional Information: The Aging and Disability Services Division of the Seattle Human Services Department also functions as the Area Agency on Aging of the Seattle-King County region, an entity which is sponsored by the City of Seattle, King County and United Way of King County. For more information, visit: <http://www.seattle.gov/humanservices/seniorsdisabled/areaagency.htm>.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Healthy Aging	7,840,793	7,649,738	7,593,019	7,624,951
Home-Based Care	26,018,262	22,454,674	25,260,431	26,016,259
Planning and Coordination	3,290,283	2,672,986	2,494,584	2,539,076
<b>Total</b>	<b>37,149,337</b>	<b>32,777,398</b>	<b>35,348,034</b>	<b>36,180,285</b>
Full-time Equivalents Total*	149.25	147.75	165.50	168.50

\* 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 Aging and Disability Services - Area Agency on Aging Budget Control Level:**

### Healthy Aging Program

The purpose of the Healthy Aging Program is to provide a variety of community services that help senior adults in King County improve and maintain their health, independence, and quality of life.

<b>Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Healthy Aging	7,840,793	7,649,738	7,593,019	7,624,951

### Home-Based Care Program

The purpose of the Home-Based Care Program is to provide an array of home-based services to elders and adults with disabilities in King County so that they can remain in their homes longer than they would without these services.

<b>Expenditures/FTE</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Home-Based Care	26,018,262	22,454,674	25,260,431	26,016,259
Full-time Equivalents Total	123.75	122.75	144.00	147.00

### Planning and Coordination Program

The purpose of the Planning and Coordination Program is to provide leadership, advocacy, fund and system development, planning and coordination, and contract services to the King County aging-support network so that systems and services for elderly and disabled individuals are as available, accountable, and as effective as possible.

<b>Expenditures/FTE</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Planning and Coordination	3,290,283	2,672,986	2,494,584	2,539,076
Full-time Equivalents Total	25.50	25.00	21.50	21.50

## Human Services Department

### **Self-Sufficiency Budget Control Level**

The purpose of the Self-Sufficiency Budget Control Level is to provide utility and other discount programs and employment opportunities for seniors and adults with disabilities to improve their ability to remain economically independent.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Self-Sufficiency	1,787,749	0	0	0
<b>Total</b>	<b>1,787,749</b>	<b>0</b>	<b>0</b>	<b>0</b>

### **Community Support and Self Sufficiency Budget Control Level**

The purpose of the Community Support and Self-Sufficiency Budget Control Level (BCL) is to provide Seattle families with nutrition assistance, citizenship assistance, access to public benefits, and other family support resources so that families can maintain or achieve economic self-sufficiency and children will gain the necessary skills and assets to be healthy, successful in school, and contributing members of the community. The BCL also supports the City's response to domestic violence and sexual assault prevention programs.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Access to Benefits	0	1,532,927	1,843,414	1,858,524
Community Based Family Support	0	5,299,174	3,591,623	3,667,085
Domestic Violence and Sexual Assault Prevention	0	4,403,992	4,906,985	4,834,479
Mayor's Office for Senior Citizens	0	614,196	494,140	510,245
<b>Total</b>	<b>0</b>	<b>11,850,290</b>	<b>10,836,162</b>	<b>10,870,334</b>
Full-time Equivalents Total*	27.00	36.00	33.00	33.00

*\* 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 Community Support and Self Sufficiency Budget Control Level:*

## Access to Benefits Program

The purpose of the Access to Benefits Program is to support the PeoplePoint initiative, which connects people with low and moderate incomes to public benefit programs, and the Utility Discount Program.

<b>Expenditures/FTE</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Access to Benefits	0	1,532,927	1,843,414	1,858,524
Full-time Equivalents Total	0.00	15.50	16.50	16.50

## Community Based Family Support Program

The purpose of the Community Based Family Support Program is to provide Seattle families with resources such as child care subsidies, meal programs, citizenship services, and family centers.

<b>Expenditures/FTE</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Community Based Family Support	0	5,299,174	3,591,623	3,667,085
Full-time Equivalents Total	0.00	8.50	4.50	4.50

## Domestic Violence and Sexual Assault Prevention Program

The purpose of the Domestic Violence and Sexual Assault Prevention Program is to provide leadership and coordination of City and community strategies, education, and training to improve response to, and prevention of, violence against women and children.

<b>Expenditures/FTE</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Domestic Violence and Sexual Assault Prevention	0	4,403,992	4,906,985	4,834,479
Full-time Equivalents Total	4.50	3.50	4.50	4.50

## Mayor's Office for Senior Citizens Program

The purpose of the Mayor's Office for Senior Citizens Program is to provide utility and other discount programs and employment opportunities for seniors and adults with disabilities to improve their ability to remain economically independent.

<b>Expenditures/FTE</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Mayor's Office for Senior Citizens	0	614,196	494,140	510,245
Full-time Equivalents Total	22.50	8.50	7.50	7.50

## Human Services Department

### Domestic and Sexual Violence Prevention Budget Control Level

The purpose of the Domestic and Sexual Violence Prevention Budget Control Level is to provide leadership and coordination of City and community strategies, education, and training to improve response to, and prevention of, violence against women and children.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Domestic and Sexual Violence Prevention	4,454,233	0	0	0
<b>Total</b>	<b>4,454,233</b>	<b>0</b>	<b>0</b>	<b>0</b>

### Early Learning and Family Support Budget Control Level

The purpose of the Early Learning and Family Support Budget Control Level is to provide children and families access to affordable, culturally relevant, high-quality care and education, out-of-school time activities, citizenship assistance, advocacy, leadership development, and other family support resources so that parents can maintain or achieve economic self-sufficiency and children will gain the necessary skills and assets to be healthy, successful in school, and contributing members of the community.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Early Learning and Family Support	12,692,243	0	0	0
<b>Total</b>	<b>12,692,243</b>	<b>0</b>	<b>0</b>	<b>0</b>

### Leadership and Administration Budget Control Level

The purpose of the Leadership and Administration Budget Control Level is to provide leadership and support to the Human Services Department, the City of Seattle, and the community, with the goal of seeing that human services are responsive to community needs, are delivered through effective and accountable systems, economic disparity is decreased, and racism and other oppressions are dismantled.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Data Integrity	1,362,764	1,503,386	2,834,526	2,926,578
Fiscal and Contract Administration	2,075,592	2,081,855	2,656,679	2,727,889
Human Resources	795,424	673,163	782,251	731,888
Leadership	3,147,769	3,027,234	2,791,540	2,845,845
<b>Total</b>	<b>7,381,549</b>	<b>7,285,638</b>	<b>9,064,997</b>	<b>9,232,199</b>
Full-time Equivalents Total*	56.10	53.60	65.85	65.85

*\* 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.*

# Human Services Department

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

## Data Integrity Program

The purpose of the Data Integrity Program is to provide technical systems and solutions to Department management and employees so they can effectively conduct departmental business. This program was formally titled "Information Technology".

<b>Expenditures/FTE</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Data Integrity	1,362,764	1,503,386	2,834,526	2,926,578
Full-time Equivalents Total	10.10	10.10	20.10	20.10

## Fiscal and Contract Administration Program

The purpose of the Fiscal and Contract Administration Program is to provide budget, accounting, and financial reporting systems and services so that the Department can effectively conduct business. This program was formally titled, "Financial Management".

<b>Expenditures/FTE</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Fiscal and Contract Administration	2,075,592	2,081,855	2,656,679	2,727,889
Full-time Equivalents Total	17.00	17.00	21.25	21.25

## Human Resources Program

The purpose of the Human Resources Program is to provide personnel services, systems, and solutions to the Department so that it can effectively conduct business.

<b>Expenditures/FTE</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Human Resources	795,424	673,163	782,251	731,888
Full-time Equivalents Total	5.75	5.75	5.75	5.75

## Leadership Program

The purpose of the Leadership Program is to provide vision, direction, planning, and coordination to the Department, other City departments, and the community. Its mission is also to develop, strengthen, and expand collaborative relationships with HSD's community partners so that the City's human services are responsive to community needs, supportive of community initiatives, and are delivered through efficient and effective systems.

<b>Expenditures/FTE</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Leadership	3,147,769	3,027,234	2,791,540	2,845,845
Full-time Equivalents Total	23.25	20.75	18.75	18.75

## Human Services Department

### **Public Health Services Budget Control Level**

The purpose of the Public Health Services Budget Control Level is to provide funds for the following public health services and programs: primary care medical, dental, and specialty services, and access to health insurance for at-risk and vulnerable populations; health care for teens in Seattle's public schools; health care for homeless individuals and families; HIV/AIDS prevention and care programs; programs to provide access to chemical and dependency services; programs to reduce the disparities in health among the Seattle population; and public health nursing care home visits to give mothers and babies a healthy start in life.

Additional Information: Beginning in 2005, all funding previously directed to Public Health - Seattle and King County was moved to the Human Services Department (HSD). To reduce administrative costs and see that its public health investments are consistent with City policy direction, the City enters into outcome-based contracts with community-based agencies, Public Health, and the King County Department of Community and Human Services for services. HSD advises the City on public health policy, manages health-related contracts, and serves as a regional liaison to Public Health - Seattle and King County.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Alcohol and Other Drugs	1,450,850	1,451,172	1,480,195	1,514,239
Asthma	128,697	128,697	131,271	134,290
Family Support Services	539,816	1,017,816	1,114,672	1,140,310
Health Care Access	260,791	260,791	266,007	272,125
Health Care for the Homeless	1,530,874	1,530,874	1,561,491	1,597,405
HIV/AIDS	821,101	821,101	837,523	856,786
Oral Health	125,119	125,119	127,621	130,556
Primary Care: Medical and Dental	6,284,074	6,534,074	6,664,755	6,818,044
<b>Total</b>	<b>11,141,322</b>	<b>11,869,644</b>	<b>12,183,537</b>	<b>12,463,755</b>

*The following information summarizes the programs in Public Health Services Budget Control Level:*

#### **Alcohol and Other Drugs Program**

The purpose of the Alcohol and Other Drugs Program is to provide funding, program development assistance, and educational resources and training to Seattle residents to promote primary alcohol/drug use prevention and outreach to help people enter treatment. Three programs operated by the King County Department of Community and Human Services - Chemical Dependency Interventions for High Utilizers, Emergency Services Patrol, and Youth Engagement Program - are supported by this funding. Also, methadone vouchers are provided through Public Health - Seattle and King County to opiate-dependent city residents.

<b>Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Alcohol and Other Drugs	1,450,850	1,451,172	1,480,195	1,514,239

# Human Services Department

## Asthma Program

The purpose of the Asthma Program is to control asthma by providing in-home indoor air testing and education, case management services, and community-based assessment and intervention to promote well-being and reduce the health risks of asthma.

	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
<b>Expenditures</b>				
Asthma	128,697	128,697	131,271	134,290

## Family Support Services Program

The purpose of the Family Support Services Program is to provide assessment, education, skills-building, and support to pregnant women and families with children, so babies are born with the best opportunity to grow and thrive, the effects of health problems are minimized, and children receive the care and nurturing they need to become functional adults.

	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
<b>Expenditures</b>				
Family Support Services	539,816	1,017,816	1,114,672	1,140,310

## Health Care Access Program

The purpose of the Health Care Access Program is to provide outreach, medical application assistance, linkage to community services and resources, coordination of care, and targeted interventions to uninsured, underserved, high-risk pregnant and parenting women and other high-risk individuals and families to minimize health disparities.

	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
<b>Expenditures</b>				
Health Care Access	260,791	260,791	266,007	272,125

## Health Care for the Homeless Program

The purpose of the Health Care for the Homeless Program is to improve access to quality health care through screening, prevention, Medicaid enrollment, case management for people with chronic substance-abuse problems or with complex health and social problems, training, technical assistance, and support to shelters and homeless service sites.

	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
<b>Expenditures</b>				
Health Care for the Homeless	1,530,874	1,530,874	1,561,491	1,597,405

# Human Services Department

## HIV/AIDS Program

The purpose of the HIV/AIDS Program is to work with community partners to assess, prevent, and manage HIV infection in Seattle to stop the spread of HIV and improve the health of people living with HIV. This program area includes support for HIV/AIDS case management services and needle exchange.

	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
<b>Expenditures</b>				
HIV/AIDS	821,101	821,101	837,523	856,786

## Oral Health Program

The purpose of the Oral Health Program is to provide prevention and clinical dental services to high-risk children to prevent dental disease and improve oral health.

	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
<b>Expenditures</b>				
Oral Health	125,119	125,119	127,621	130,556

## Primary Care: Medical and Dental Program

The purpose of the Primary Care: Medical and Dental Program is to provide access to high-quality medical, dental, and access services delivered by community-based health care safety net partners to improve the health status of low-income, uninsured residents of Seattle.

	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
<b>Expenditures</b>				
Primary Care: Medical and Dental	6,284,074	6,534,074	6,664,755	6,818,044

## Community Facilities Budget Control Level

The purpose of the Community Facilities Budget Control Level is to provide technical assistance and capital funding to community-based human service organizations to help the organizations plan and develop facility projects to improve the quality, capacity, and efficiency of service delivery.

<b>Program Expenditures</b>	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Community Facilities	238,168	0	0	0
<b>Total</b>	<b>238,168</b>	<b>0</b>	<b>0</b>	<b>0</b>
Full-time Equivalents Total*	0.00	0.00	-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.

## Human Services Department

### **Transitional Living and Support Budget Control Level**

The purpose of the Transitional Living and Support Budget Control Level (formerly Emergency and Transitional Services) is to provide resources and services to Seattle's low-income and homeless residents, work to prevent and end homelessness, and reduce hunger by funding shelter, housing, food and meal programs for individuals and families with very low-incomes.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Community Facilities	0	593,949	599,826	602,889
Emergency and Transitional Services	27,528,726	28,226,395	28,623,537	29,010,196
<b>Total</b>	<b>27,528,726</b>	<b>28,820,344</b>	<b>29,223,363</b>	<b>29,613,085</b>
Full-time Equivalents Total*	29.00	27.00	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 Transitional Living and Support Budget Control Level:***

#### **Community Facilities Program**

The purpose of the Community Facilities Program is to provide technical assistance and capital funding to community-based human service organizations to help the organizations plan and develop facility projects to improve the quality, capacity, and efficiency of service delivery.

<b>Expenditures/FTE</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Community Facilities	0	593,949	599,826	602,889
Full-time Equivalents Total	8.50	7.50	15.00	15.00

#### **Emergency and Transitional Services Program**

The purpose of the Emergency and Transitional Services Program is to provide emergency and transitional services and permanent housing to homeless and low-income people in Seattle, so they have access to nutritious food and a path to stable, permanent housing.

<b>Expenditures/FTE</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Emergency and Transitional Services	27,528,726	28,226,395	28,623,537	29,010,196
Full-time Equivalents Total	20.50	19.50	9.50	9.50

## Human Services Department

### Youth and Family Empowerment Budget Control Level

The purpose of the Youth and Family Empowerment Budget Control Level is to provide children, youth and families with the skills, knowledge, and support they need to live healthy and productive lives, including access to affordable, culturally relevant, high-quality child care and pre-school education, out-of-school time activities, nutrition assistance, and programs designed to help youth succeed academically, learn job and life skills, and develop alternatives to criminal activity, violence, and homelessness.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Early Learning and Family Support	0	6,142,476	9,006,878	9,138,788
Youth Services	0	11,302,670	11,647,112	11,883,182
<b>Total</b>	<b>0</b>	<b>17,445,145</b>	<b>20,653,989</b>	<b>21,021,970</b>
Full-time Equivalents Total*	61.75	51.75	56.75	56.75

*\* 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 Youth and Family Empowerment Budget Control Level:**

#### **Early Learning and Family Support Program**

The purpose of the Early Learning and Family Support Program is to provide children and families access to affordable, culturally relevant, high-quality care and education, out-of-school time activities, citizenship assistance, advocacy, leadership development, and other family support resources, so that parents can maintain or achieve economic self-sufficiency and children will gain the necessary skills and assets to be healthy, successful in school, and contributing members of the community.

<b>Expenditures/FTE</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Early Learning and Family Support	0	6,142,476	9,006,878	9,138,788
Full-time Equivalents Total	35.00	25.00	27.00	27.00

#### **Youth Services Program**

The purpose of the Youth Services Program is to provide youth and young adults direct services, designed to help them succeed academically, learn job and life skills, and develop alternatives to criminal activity, violence, and homelessness.

<b>Expenditures/FTE</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Youth Services	0	11,302,670	11,647,112	11,883,182
Full-time Equivalents Total	26.75	26.75	29.75	29.75

## Human Services Department

### **Youth Development and Achievement Budget Control Level**

The purpose of the Youth Development and Achievement Budget Control Level is to provide services to youth to support their developmental needs, and facilitate their ability to gain the skills and assets necessary to grow into healthy, successful adults and contributing members of the community.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Youth Development and Achievement	10,296,434	0	0	0
<b>Total</b>	<b>10,296,434</b>	<b>0</b>	<b>0</b>	<b>0</b>

### **Human Services Fund Table**

#### **Human Services Operating Fund (16200)**

	<b>2011 Actuals</b>	<b>2012 Adopted</b>	<b>2012 Revised</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
<b>Beginning Fund Balance</b>	<b>6,466,515</b>	<b>4,275,178</b>	<b>5,160,049</b>	<b>3,453,049</b>	<b>1,739,956</b>
Accounting and Technical Adjustments	0	0	0	0	0
Plus: Actual and Estimated Revenues	111,363,296	108,587,905	109,222,000	115,596,988	118,313,461
Less: Actual and Budgeted Expenditures	112,669,762	110,048,459	110,929,000	117,310,081	119,381,628
<b>Ending Fund Balance</b>	<b>5,160,049</b>	<b>2,814,624</b>	<b>3,453,049</b>	<b>1,739,956</b>	<b>671,789</b>
Less: Mandatory Reserve for Child Care Bonus Funds	2,693,000	1,407,000	1,407,000	907,000	407,000
Less: Other Mandatory Restrictions	1,547,000	1,150,000	1,096,000	583,000	53,000
Less: Reserve for Cash Flow Balance	200,000	200,000	200,000	200,000	200,000
<b>Total Reserves</b>	<b>4,440,000</b>	<b>2,757,000</b>	<b>2,703,000</b>	<b>1,690,000</b>	<b>660,000</b>
<b>Ending Unreserved Fund Balance</b>	<b>720,049</b>	<b>57,624</b>	<b>750,049</b>	<b>49,956</b>	<b>11,789</b>

# **Neighborhoods & Development**



# Office of Economic Development

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Stephen H. Johnson, Director

Department Information Line: (206) 684-8090

On the Web at: <http://www.seattle.gov/EconomicDevelopment/>



## Department Overview

The Office of Economic Development (OED) helps create a sustainable economy with broadly shared prosperity. OED supports a healthy business environment and empowers companies to grow and compete. The core services OED provides capitalize on Seattle's economic strengths, particularly in the areas of manufacturing and maritime industries, film and music, healthcare, and clean technology. To accomplish this mission, the Office delivers services designed to:

- Support the establishment of new businesses, retention and growth of existing businesses, and attraction of businesses to Seattle;
- Increase the number of low-income adults who obtain the skills necessary to meet industry's needs for qualified workers; and
- Advance policies, practices, and partnerships that lead to sustainable economic growth with shared prosperity.

In addition to these services, OED manages a number of financing programs to increase access to capital for projects from micro-loans to major capital projects. Among these financing tools are two federal programs: New Markets Tax Credits (NMTC) and HUD Section 108. NMTC leverages private investment in low-income communities through federal tax incentives. HUD Section 108 loans provide financing for economic development and housing projects in low and middle-income neighborhoods. Through these programs, the Department manages a \$51 million allocation of NMTCs and \$10 million in HUD Section 108 funds that leverage low-cost financing for business and real estate projects in economically distressed areas.

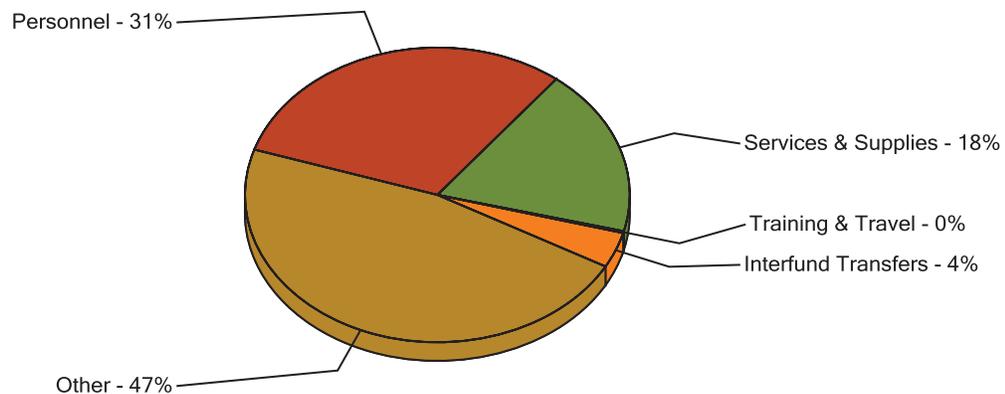
## Office of Economic Development

### Budget Snapshot

Department Support	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
General Fund Support	\$7,255,685	\$5,865,474	\$6,134,877	\$6,230,050
Other Funding - Operating	\$2,831,997	\$4,091,175	\$2,983,675	\$1,208,675
<b>Total Operations</b>	<b>\$10,087,682</b>	<b>\$9,956,649</b>	<b>\$9,118,552</b>	<b>\$7,438,725</b>
<b>Total Appropriations</b>	<b>\$10,087,682</b>	<b>\$9,956,649</b>	<b>\$9,118,552</b>	<b>\$7,438,725</b>
Full-time Equivalent Total*	22.00	24.00	22.50	22.50

\* 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.

### 2013 Proposed Budget - Expenditure by Category



### Budget Overview

As the City begins its recovery from the Great Recession, City departments must find efficient ways to make strategic investments to assure greater shared recovery citywide. OED's 2013-2014 Proposed Budget was developed to support and grow small businesses in all parts of the City, and to provide employment training to targeted communities. In addition to recognizing federal revenues that are available to offset General Fund expenses in 2013-2014, the 2013-2014 Proposed Budget reflects a new strategy for workforce development, the "Career Bridge" program, and adds a new dimension to the Only in Seattle program by augmenting the program with funding for business district improvements. OED's budget also programs available CDBG funds to promote economic development through new and existing programs. This work is further described below.

# Office of Economic Development

## Workforce Development

The U.S. Department of Labor shows that an important determinate of socio-economic advancement is educational attainment beyond high school. To help low-income workers find better paying jobs, OED is continuing to work closely with Seattle Community College District and Seattle employers to implement the Pathways to Careers program. Pathways to Careers focuses on increasing the number of low-skilled, working-age adults who complete a professional degree or credential that leads to a better paying and more secure job with benefits and opportunities for advancement. However, some individuals who face barriers to employment - including prior incarceration or limited English skills - require additional skill building and connection to resources in order to be successful in moving along the Pathways to Careers continuum toward a professional degree, credential, or longer term employment opportunity.

To address this need, the City's 2013-2014 Proposed Budget establishes the "Career Bridge" program as a new part of Pathways to Careers. The Career Bridge program is a new partnership between OED and the Human Services Department (HSD) to provide focused employment services for low-income adults who face multiple barriers to employment and career advancement. The Career Bridge program is designed to prepare people in crisis or facing barriers to employment for the education and training necessary to secure employment that provides greater economic security. Ultimately, the Career Bridge program will support the overall objectives of the Pathways to Careers initiative by helping adults in crisis find employment while preparing them for the difficult task of completing a professional credential that leads to better jobs with opportunities for career advancement.

In 2013, the City will identify a Community Based Development Organization (CBDO) that will be the front-line point of contact with individual participants. The CBDO will coordinate recruitment of individuals, and assess each individual's needs. In 2013, it is anticipated that the CBDO will provide each program participant with 20 hours of career building and job search training. In addition, the CBDO will connect potential employers with participants, and refer participants to job training and other post-secondary programs as necessary and appropriate. An important innovation of the Career Bridge program will be the integration of human and employment services tailored to meet the unique needs of the individuals served by the program. The CBDO, with support from the City's Human Service Department, will connect participants to appropriate housing options, childcare and transportation services so that participants can focus on career building activities.

The Seattle Jobs Initiative (SJI) will be a critical partner to HSD and OED in 2013 in developing the Career Bridge program. SJI has a strong record of providing adults who have significant employment barriers with training and job placement services and is well suited to support the Career Bridge in its initial year. The Career Bridge program will be partially funded in 2013 by focusing \$150,000 of OED's workforce development contract with SJI to fund SJI's contributions to the Career Bridge program. In addition, HSD's 2013 Proposed Budget includes an allocation of \$60,000 in CDBG funds in 2013 to identify and develop at least one CBDO to be involved in administering the program. In 2014, it is anticipated that the CBDO will assume oversight and delivery of this program, and will partner with other community based organizations to serve as ongoing support to the individual participant as the individual moves toward stable employment. Also in 2014, an increased level of CDBG funds will be programmed by HSD to fully support the Career Bridge program through work with one or more CBDOs. The program will be developed and supported with existing City staff in OED and HSD in 2013-2014.

## Neighborhood Business District Grants

Efforts to further strengthen the improving business climate in Seattle neighborhoods will be enhanced in 2013-2014. OED will expand the Only in Seattle program by making available a pool of \$500,000 of General Fund available through Finance General for projects that address the "Appearance and Pedestrian Environment" program strategy area of Only in Seattle (OIS). OIS program improves the business climate in Seattle neighborhoods by providing marketing and technical assistance, establishing business district organizing capacity, and sponsoring and producing promotional events.

Under the new program, business districts with parking meters will be eligible to compete for grants dedicated to improving the appearance and functionality of streetscapes, sidewalks and other capital projects as part of the Only in Seattle grant process. Grants will be evaluated based how the project enhances the business district; the need for the project and potential impact; the extent to which business district stakeholders have been

## Office of Economic Development

successfully engaged in planning and project selection; whether the project is prioritized in an existing neighborhood plan; and whether any initial design and engineering work has been completed, if applicable. Grant applications will be reviewed by an interdepartmental panel including OED, Seattle Transportation Department, Department of Planning and Development, Parks and Recreation, Department of Neighborhoods.

### **Community Development Block Grant (CDBG)**

In 2013 and 2014, the City is anticipating federal CDBG entitlement levels to remain unchanged from the 2012 actual level of approximately \$9.3 million. In 2013, the City completes its commitment of CDBG funding to the Rainier Valley Community Development Fund (RVCDF) with a final funding allocation of \$2 million. From 2005 to 2013, the City has allocated \$35 million in City CDBG funds to the RVCDF to mitigate the impacts of the Link Light Rail development in southeast Seattle and accomplish community development objectives. The City will continue to work with the RVCDF in future years as the RVCDF programs these CDBG funds. The ramp down of the CDBG funding level to the RVCDF in 2013 results in CDBG funding being available for other purposes beginning in 2013.

A portion of available CDBG funds will be used in 2013 and 2014 by OED to further stimulate economic development. OED will use CDBG funds to extend the growSeattle program, which provides entrepreneurial training and business development support to immigrant business owners with barriers to accessing mainstream business support programs. To date, this program has provided support to East African and Vietnamese businesses. In 2013, growSeattle will continue this work at the same level of CDBG funding as in 2012. In 2014, growSeattle will continue to provide technical assistance and business consulting services, and be expanded to provide loan capital to community based lenders to underwrite otherwise unbankable transactions for small businesses. While Seattle's economy is improving, OED recognizes that immigrant entrepreneurs may need additional support to navigate new bureaucracies and financial systems.

The South Park business district was hit hard by both the last recession and the temporary closure of the South Park Bridge. OED will use new CDBG funding to assist businesses in the South Park business district through the Only in Seattle Program in 2013. Approximately 30 South Park businesses will be eligible to receive technical assistance through the Only in Seattle program while the South Park Bridge remains closed, and grow their businesses when the bridge re-opens in September of 2013.

Finally, OED is reducing its CDBG funding allocation in 2013 that previously funded a base contract amount with the National Development Council (NDC) for review of federal HUD Section 108 Float Loan funds prior to loan origination. OED will eliminate the base CDBG funding amount from the NDC contract while continuing to pay NDC out of one-time loan fees collected from borrowers. Underwriting and monitoring of Section 108 loans will remain unchanged from current service levels as OED conducts this work with existing staff.

## Office of Economic Development

### Incremental Budget Changes

#### Office of Economic Development

	2013		2014	
	Budget	FTE	Budget	FTE
<b>Total 2012 Adopted Budget</b>	<b>\$ 9,956,649</b>	<b>24.00</b>	<b>\$ 9,956,649</b>	<b>24.00</b>
<b>Baseline Changes</b>				
Citywide Adjustments for Standard Cost Changes	\$ 264,509	0.00	\$ 443,784	0.00
Reflect Full Cost of Special Events Staffing Transfer	\$ 28,439	0.00	\$ 29,008	0.00
Reduce Finance Manager to 0.5 FTE	\$ 0	-0.50	\$ 0	-0.50
<b>Proposed Policy Changes</b>				
CDBG -- Extend growSeattle Entrepreneurial Training and Lending	\$ 75,000	0.00	\$ 450,000	0.00
CDBG -- South Park Business District Support	\$ 150,000	0.00	\$ 0	0.00
CDBG -- Section 108 Loan Review Contract Adjustment	-\$ 15,000	0.00	-\$ 15,000	0.00
CDBG -- Rainier Valley Community Development Fund Technical Adjustment	-\$ 1,317,500	0.00	-\$ 3,317,500	0.00
<b>Proposed Technical Changes</b>				
Final Citywide Adjustments for Standard Cost Changes	-\$ 33,130	0.00	-\$ 108,217	0.00
Technical Adjustment -- Eliminate Vacant Position	\$ 0	-1.00	\$ 0	-1.00
<b>Total Incremental Changes</b>	<b>-\$ 847,682</b>	<b>-1.50</b>	<b>-\$ 2,517,925</b>	<b>-1.50</b>
<b>2013 - 2014 Proposed Budget</b>	<b>\$ 9,108,967</b>	<b>22.50</b>	<b>\$ 7,438,725</b>	<b>22.50</b>

# Office of Economic Development

## Description of Incremental Budget Changes

### Baseline Changes

#### **Citywide Adjustments for Standard Cost Changes - \$264,509**

Citywide technical adjustments made in the "Baseline Phase" reflect changes due to inflation, central cost allocations, retirement, health care, workers' compensation, and employment costs. These adjustments reflect initial assumptions about these costs and inflators early in the budget process.

#### **Reflect Full Cost of Special Events Staffing Transfer - \$28,439**

The 2012 Adopted Budget transferred two existing positions, a Manager 1 and Administrative Specialist, from DPR to OED to manage citywide special events such as marathons, rallies and annual events like Seafair. This technical adjustment reflects the full cost of this transfer.

#### **Reduce Finance Manager to 0.5 FTE/(.50) FTE**

While funding for the Finance Manager was reduced to part time in the 2012 Adopted Budget, the position was intentionally maintained at 1.0 FTE to allow for a transition in 2012. This adjustment reduces the position to 0.5 FTE as planned.

### Proposed Policy Changes

#### **CDBG -- Extend growSeattle Entrepreneurial Training and Lending - \$75,000**

This change adds \$75,000 in CDBG funding for the growSeattle program in 2013, and increases this amount to \$450,000 in CDBG funds in 2014. This program offers culturally and linguistically appropriate support to immigrant-owned small businesses all over the City. These services include outreach efforts to connect small businesses with financing and technical assistance. This change maintains the 2012 funding level in 2013, and increases the program's funding and scope in 2014 to increase funding to the immigrant business support program, technical assistance, and loan capital to support micro-lending for otherwise unbankable small business transactions.

#### **CDBG -- South Park Business District Support - \$150,000**

This change adds CDBG resources of \$150,000 to help mitigate the impact of the closure of the South Park Bridge on local businesses. The closure of the South Park Bridge in 2012 has exerted a tremendous amount of economic pressure on small businesses in South Park. OED will direct CDBG dollars to its Only In Seattle program to build economic development capacity and to provide technical assistance to 30 South Park Businesses until the South Park Bridge reopens in September of 2013. This is a one-time appropriation of CDBG funds in 2013.

#### **CDBG -- Section 108 Loan Review Contract Adjustment - (\$15,000)**

OED contracts with National Development Council (NDC) for review of federal HUD Section 108 Float Loan funds prior to loan origination. OED will eliminate the \$15,000 base amount from the NDC contract while continuing to pay NDC out of one-time loan fees collected from borrowers. NDC will continue to provide financial advice to OED at current service levels. Underwriting and monitoring of Section 108 loans will remain unchanged from current service levels as OED conducts this work with existing staff.

#### **CDBG -- Rainier Valley Community Development Fund Technical Adjustment - (\$1,317,500)**

During 2005-2013, the City has allocated \$35 million in City CDBG funds to the RVCDF to mitigate the impacts of the link light rail development in South East Seattle and accomplish community development purposes. This technical adjustment aligns the 2013-2014 CDBG funding amount to the RVCDF to planned levels by reducing \$1.3 million in 2013, and \$3.3 million in comparison to the 2012 Adopted Budget. The City's CDBG funding commitment to the RVCDF is completed in 2013.

# Office of Economic Development

## Proposed Technical Changes

### Final Citywide Adjustments for Standard Cost Changes - (\$33,130)

Citywide technical adjustments made in the "Proposed Phase" reflect changes due to inflation, central cost allocations, retirement, health care, workers' compensation, and unemployment costs. These adjustments typically reflect updates to preliminary cost assumptions established in the "Baseline Phase."

### Technical Adjustment -- Eliminate Vacant Position/(1.00) FTE

This change eliminates a vacant community development position was added in 2011 to support the Healthy Foods grant some Public-Health Seattle & King County. The grant expires in 2012.

## Expenditure Overview

Appropriations	Summit Code	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
<b>CDBG - Office of Economic Development Budget Control Level</b>	<b>6XD10</b>	<b>2,831,997</b>	<b>4,091,175</b>	<b>2,983,675</b>	<b>1,208,675</b>
<b>Office of Economic Development Budget Control</b>					
Business Services		5,996,271	4,617,220	4,765,399	4,837,218
Economic Development Leadership		548,338	611,022	634,957	653,999
Finance and Operations		711,075	637,232	734,520	738,833
<b>Total</b>	<b>X1D00</b>	<b>7,255,685</b>	<b>5,865,474</b>	<b>6,134,877</b>	<b>6,230,050</b>
<b>Department Total</b>		<b>10,087,682</b>	<b>9,956,649</b>	<b>9,118,552</b>	<b>7,438,725</b>
<b>Department Full-time Equivalents Total*</b>		<b>22.00</b>	<b>24.00</b>	<b>22.50</b>	<b>22.50</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.

# Office of Economic Development

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

### **CDBG - Office of Economic Development Budget Control Level**

The purpose of the Community Development Block Grant (CDBG) - Office of Economic Development Budget Control Level is to help create and maintain healthy businesses, thriving neighborhoods, and community organizations to contribute to a robust economy that will benefit all Seattle residents and future generations.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Economic Development	2,831,997	4,091,175	2,983,675	1,208,675
<b>Total</b>	<b>2,831,997</b>	<b>4,091,175</b>	<b>2,983,675</b>	<b>1,208,675</b>

### **Office of Economic Development Budget Control Level**

The purpose of the Office of Economic Development Budget Control Level is to provide vital services to individual businesses and economic development leadership to support a strong local economy, thriving neighborhood business districts, and broadly-shared prosperity.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Business Services	5,996,271	4,617,220	4,765,399	4,837,218
Economic Development Leadership	548,338	611,022	634,957	653,999
Finance and Operations	711,075	637,232	734,520	738,833
<b>Total</b>	<b>7,255,685</b>	<b>5,865,474</b>	<b>6,134,877</b>	<b>6,230,050</b>
Full-time Equivalents Total*	22.00	24.00	22.50	22.50

\* 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 Office of Economic Development Budget Control Level:**

#### **Business Services Program**

The purpose of the Business Services Program is to provide direct services to businesses and to support a healthy business environment that empowers businesses to develop, grow, and succeed. The Business Services Program provides assistance navigating government services, facilitates access to capital and building management expertise, and invests in workforce development services focused on building skills that benefit individual job-seekers and support employers in key industry sectors.

<b>Expenditures/FTE</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Business Services	5,996,271	4,617,220	4,765,399	4,837,218
Full-time Equivalents Total	15.00	16.00	16.00	16.00

#### **Economic Development Leadership Program**

The purpose of the Economic Development Leadership Program is to lead the creation of the City of Seattle's economic agenda. The Economic Development Leadership Program develops targeted areas of focus for OED and relevant City and community partners; convenes a broad range of the businesses in the community to make informed decisions on economic policies; and strengthens the alignment of city, regional, state, and federal economic development activities.

<b>Expenditures/FTE</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Economic Development Leadership	548,338	611,022	634,957	653,999
Full-time Equivalents Total	4.00	5.00	5.00	5.00

# Office of Economic Development

## Finance and Operations Program

The purpose of the Finance and Operations Program is to provide leadership over daily office operations and financial, administrative, and human resource services to effectively accomplish OED's mission and goals.

<b>Expenditures/FTE</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Finance and Operations	711,075	637,232	734,520	738,833
Full-time Equivalents Total	3.00	3.00	1.50	1.50

## Revenue Overview

### 2013 Estimated Revenues for the Community Development Block Grant Fund (17810)

<b>Summit Code</b>	<b>Source</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
433010	Community Development Block Grant (CDBG)	2,831,997	4,091,175	2,983,675	1,208,675
	<b>Total Revenue from Other Public Entities</b>	<b>2,831,997</b>	<b>4,091,175</b>	<b>2,983,675</b>	<b>1,208,675</b>
	<b>Total Revenues</b>	<b>2,831,997</b>	<b>4,091,175</b>	<b>2,983,675</b>	<b>1,208,675</b>



# Office of Housing

Rick Hooper, Director

Department Information Line: (206) 684-0721

On the Web at: <http://www.seattle.gov/housing/>



## Department Overview

The mission of the Office of Housing (OH) is to invest in and promote the development and preservation of housing so that all Seattle residents have access to safe, decent, and affordable housing. To accomplish this mission, OH has four program areas: Multi-Family Production and Preservation; Homeownership and Sustainability; Policy and Program Development; and Administration and Management.

The Multi-Family Production and Preservation program area employs the Housing Levy and other federal and local program funding to make long-term, low-interest loans to developers to develop or preserve affordable multifamily rental housing. OH monitors the housing portfolio to ensure the units remain affordable and serve the intended residents, and the buildings remain in good condition. The portfolio now includes 285 developments with more than 11,600 apartments, representing a nearly \$2 billion investment of City and other funding in affordable housing over 30 years.

The Homeownership and Sustainability program area makes loans to first-time homebuyers and home repair loans to low-income homeowners to address health and safety code repairs. The Sustainability portion of the program area emphasizes energy efficiency improvements through weatherization retrofits to single-family and multi-family residences with income-eligible homeowners and tenants. In addition to awarding more than \$5 million in grant funding to projects each year, staff also provides energy audits and project management services to single-family and multi-family properties.

The Policy and Program Development program area establishes long-term strategic plans, develops and implements policy-based tools, such as incentive programs to advance affordable housing goals, and addresses housing-related aspects of citywide land use and community development issues. The program provides strategic policy review of affordable housing issues, develops changes needed to help OH administered programs reflect changing City needs and objectives, administers incentive programs, and coordinates disposition of vacant land for redevelopment purposes to increase housing opportunities for Seattle residents.

The Administration and Management program area provides centralized leadership, coordination, technology, contracting, and financial management services to OH programs and capital projects.

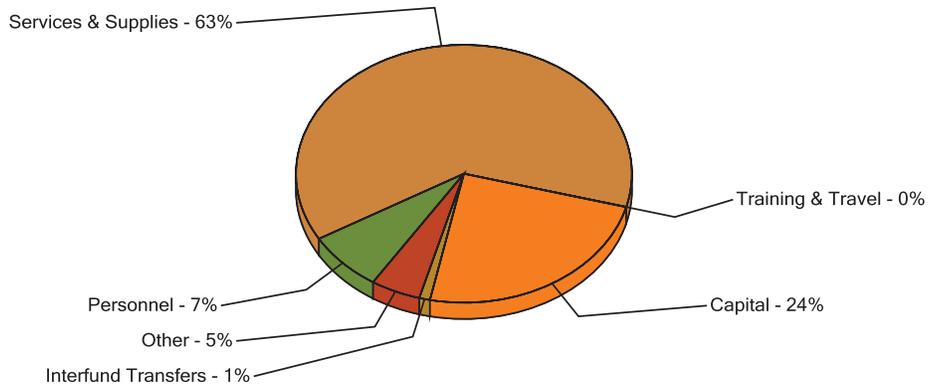
## Office of Housing

### Budget Snapshot

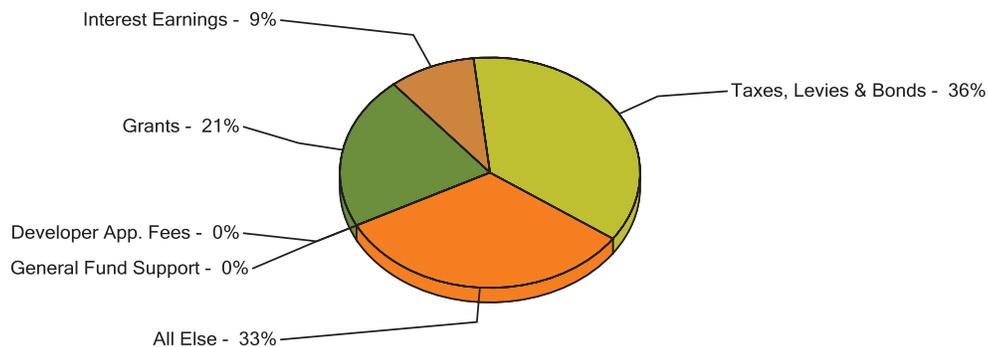
Department Support	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
General Fund Support	\$504,875	\$46,462	\$0	\$0
Other Funding - Operating	\$31,371,908	\$40,425,261	\$49,736,219	\$49,953,082
<b>Total Operations</b>	<b>\$31,876,783</b>	<b>\$40,471,723</b>	<b>\$49,736,219</b>	<b>\$49,953,082</b>
<b>Total Appropriations</b>	<b>\$31,876,783</b>	<b>\$40,471,723</b>	<b>\$49,736,219</b>	<b>\$49,953,082</b>
Full-time Equivalent Total*	38.50	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.

### 2013 Proposed Budget - Expenditure by Category



### 2013 Proposed Budget - Revenue by Category



# Office of Housing

## Budget Overview

Key funding sources to support low-income housing activities through the Office of Housing are the 2009 Housing Levy, federal grants, developer incentive program revenues, local and state weatherization grants, investment earnings, and loan repayment income. In recent years, declines in federal and state revenues have made it necessary for the City to provide General Fund resources to support the administration of OH programs. However, for 2013-2014, OH has identified sufficient incentive program and state/federal revenue resources to support the administration of its programs, meaning no General Fund support is required in the 2013-2014 Proposed Budget.

In 2010, OH began implementing the voter-approved 2009 Housing Levy, totaling \$145 million for 2010 through 2016. The 2013-2014 Proposed Budget is consistent with the Administration and Financial Plan approved by the City Council in Ordinance 123281. The current Housing Levy provides a significant increase in funding to support the production or preservation of low-income housing each year compared to the previous Levy, as is reflected in the funding amounts for 2013 and 2014. During its seven-year duration, the Housing Levy is expected to produce or preserve 1,850 affordable homes and assist 3,420 households.

In 2013 and 2014, the City is anticipating federal CDBG entitlement levels to remain unchanged from the 2012 actual level of approximately \$9.3 million. The two primary activities funded with OH's \$2 million share of CDBG funds are minor home repairs for low-income households with seniors, and multifamily production and preservation. Although CDBG is expected to be maintained at the 2012 Adopted Budget funding level, federal HOME funds are expected to be maintained at the 2012 actual level of \$2.3 million, a decline of 36% from the 2012 Adopted Budget. The availability of Housing Levy funds and program income helps to mitigate the reduction in HOME funds.

The City of Seattle was awarded a \$3 million HUD Community Challenge Grant in November 2011 to work on priorities identified in the Rainier Valley and Beacon Hill neighborhood plans. Grant funds are being matched by \$5.9 million in public and private funds and in-kind contributions. In 2013-2014, OH will use a portion of these funds to provide transit-oriented development acquisition loans that will assist housing developers in purchasing 3-4 vacant properties near light rail stations to provide approximately 200 units of affordable housing in mixed-use projects.

## Incremental Budget Changes

### Office of Housing

	2013		2014	
	Budget	FTE	Budget	FTE
<b>Total 2012 Adopted Budget</b>	<b>\$ 40,471,723</b>	<b>37.50</b>	<b>\$ 40,471,723</b>	<b>37.50</b>
<b>Baseline Changes</b>				
Citywide Adjustments for Standard Cost Changes	\$ 193,981	0.00	\$ 345,737	0.00
Fund 16400 - Technical Changes	-\$ 210,000	0.00	-\$ 210,000	0.00
Fund 16600 - Technical Changes	\$ 169,771	0.00	\$ 172,147	0.00
<b>Proposed Technical Changes</b>				
Final Citywide Adjustments for Standard Cost Changes	\$ 438	0.00	\$ 15,542	0.00
Fund 16600 - Technical Changes	-\$ 90,374	0.00	-\$ 91,638	0.00
CDBG - Technical Changes	-\$ 444	0.00	-\$ 444	0.00
Fund 16400 - Weatherization Grant Increase	\$ 2,062,439	0.00	\$ 2,111,330	0.00
Fund 16400 - Multifamily Program Income	\$ 7,138,685	0.00	\$ 7,138,685	0.00
<b>Total Incremental Changes</b>	<b>\$ 9,264,496</b>	<b>0.00</b>	<b>\$ 9,481,359</b>	<b>0.00</b>
<b>2013 - 2014 Proposed Budget</b>	<b>\$ 49,736,219</b>	<b>37.50</b>	<b>\$ 49,953,082</b>	<b>37.50</b>

# Office of Housing

## Description of Incremental Budget Changes

### Baseline Changes

#### **Citywide Adjustments for Standard Cost Changes - \$193,981**

Citywide technical adjustments made in the "Baseline Phase" reflect changes due to inflation, central cost allocations, retirement, health care, workers' compensation, and employment costs. These adjustments reflect initial assumptions about these costs and inflators early in the budget process.

#### **Fund 16400 - Technical Changes - (\$210,000)**

The 2012 Adopted Budget provided a one-time increase of a \$210,000 to the Multifamily Production and Preservation program to support the development and preservation of affordable housing. This one-time funding amount was comprised of \$46,000 in General Fund support and \$164,000 in other funds in 2012. This baseline change removes the full \$210,000 amount from Fund 16400 by eliminating the \$46,000 in General Fund support, and transferring the \$164,000 to Fund 16600 as described below.

#### **Fund 16600 - Technical Changes - \$169,771**

This baseline change increased Fund 16600 to support administrative expenses in the Administration and Management program as a result of transferring in funds from Fund 16400. The amount is increased from approximately \$164,000 to approximately \$170,000 on account of inflating the amount from 2012 to 2013 levels. This technical change was considered necessary at the time of developing the 2013-2014 baseline budget, but was done unnecessarily, and is ultimately reversed as part of the Proposed Budget. The reversal of this action is described in "Fund 16600 - Technical Changes" in the Proposed Technical Changes section below.

### Proposed Technical Changes

#### **Final Citywide Adjustments for Standard Cost Changes - \$438**

Citywide technical adjustments made in the "Proposed Phase" reflect changes due to inflation, central cost allocations, retirement, health care, workers' compensation, and unemployment costs. These adjustments typically reflect updates to preliminary cost assumptions established in the "Baseline Phase."

#### **Fund 16600 - Technical Changes - (\$90,374)**

This technical change comprises three separate adjustments. First, as described above, the baseline budget transferred approximately \$170,000 from Fund 16400 to Fund 16600 to support staff expenses in the Administration and Management program within Fund 16600. However, this adjustment was not necessary because these ongoing position expenses were eliminated as part of developing the 2012 Adopted Budget. Second, this change eliminates one-time staffing costs of \$52,000 that were maintained in the 2012 Adopted Budget to provide partial funding for the human resource, information technology, and administration positions that continued working at 2011 levels through part of 2012. Finally, this technical change adds \$132,000 in funding to Fund 16600 for the Homeownership and Sustainability program to fund a position that was grant supported through the weatherization program. This position was initially added to Fund 16400, which had available budget authority, but should be in Fund 16600 where the expenditure occurs.

#### **CDBG - Technical Changes - (\$444)**

A technical adjustment of -\$444 is made to reflect the actual CDBG amount for Office of Housing in the 2013 Update to the 2009-2012 Consolidated Plan for HUD. Additional budget-neutral technical adjustments are made to align CDBG costs with actual program expenditures.

# Office of Housing

## Fund 16400 - Weatherization Grant Increase - \$2,062,439

This change recognizes three adjustments related to weatherization grant funds. The first is an increase of approximately \$500,000 in state funds as a result of the Washington State Department of Commerce reallocating unspent weatherization funding from other jurisdictions to OH. The Office of Housing annually maximizes its weatherization allocation and typically is a recipient of reallocated funds. In addition, the 2013-2014 Proposed Budget authorizes OH to administer \$1.5 million in unspent federal U.S. Department of Energy (DOE) grant funds for energy-efficient home repairs. This grant was received by the Office of Sustainability and Environment (OSE), and funds are being reimbursed by OSE to OH as expenditures occur to assist in meeting the federal deadline of May 2013 to expend these funds. Finally, Seattle City Light provided an increase of approximately \$50,000 to be used for energy-efficient home improvements.

## Fund 16400 - Multifamily Program Income - \$7,138,685

The 2009 Housing Levy Administrative and Financial Plan authorizes temporary bridge loans using funds collected through the 2009 Levy proceeds, as well as revolved funds once the original loans are repaid to OH. This increase in appropriation authority allows OH to provide bridge loans using revolved funds in 2013 and 2014.

## Expenditure Overview

Appropriations	Summit Code	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
<b>CDBG - Office of Housing Budget Control</b>					
Homeownership and Sustainability - CDBG		836,794	1,188,185	987,108	987,108
Multi-Family Production and Preservation - CDBG		249,257	741,890	871,433	871,433
Strategic Planning, Resource, and Program Development - CDBG		411,279	30,000	101,139	101,139
<b>Total</b>	<b>6XZ10</b>	<b>1,497,330</b>	<b>1,960,075</b>	<b>1,959,680</b>	<b>1,959,680</b>
<b>Low-Income Housing Fund 16400 Budget Control</b>					
Homeownership and Sustainability - 16400		11,364,882	8,052,098	10,114,537	10,163,428
Multi-Family Production and Preservation - 16400		15,068,933	26,000,676	32,929,361	32,929,361
<b>Total</b>	<b>XZ-R1</b>	<b>26,433,815</b>	<b>34,052,774</b>	<b>43,043,898</b>	<b>43,092,789</b>
<b>Office of Housing Operating Fund 16600 Budget Control</b>					
Administration and Management - 16600		1,310,290	1,332,487	1,591,281	1,647,222
Community Development - 16600		499,898	551,395	543,813	563,325
Homeownership and Sustainability - 16600		1,019,012	1,308,270	1,340,874	1,387,158
Multi-Family Production and Preservation - 16600		1,116,437	1,266,721	1,256,673	1,302,909
<b>Total</b>	<b>XZ600</b>	<b>3,945,638</b>	<b>4,458,874</b>	<b>4,732,641</b>	<b>4,900,613</b>
<b>Department Total</b>		<b>31,876,783</b>	<b>40,471,723</b>	<b>49,736,219</b>	<b>49,953,082</b>
<b>Department Full-time Equivalents Total*</b>		<b>38.50</b>	<b>37.50</b>	<b>37.50</b>	<b>37.50</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.

## Office of Housing

### Revenue Overview

#### 2013 Estimated Revenues for the Community Development Block Grant Fund (17810)

Summit Code	Source	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
433010	Community Development Block Grant (CDBG)	1,497,330	1,960,075	1,959,680	1,959,680
	<b>Total Revenue from Other Public Entities</b>	<b>1,497,330</b>	<b>1,960,075</b>	<b>1,959,680</b>	<b>1,959,680</b>
<b>Total Revenues</b>		<b>1,497,330</b>	<b>1,960,075</b>	<b>1,959,680</b>	<b>1,959,680</b>

#### 2013 Estimated Revenues for the Low-Income Housing Fund (16400)

Summit Code	Source	2011 Ac	2012 Adopted	2013 Proposed	2014 Proposed
469930	Program Income	5,661,048	6,502,000	11,244,000	11,244,000
541490	Local Grants-Weatherization	2,367,869	1,582,255	1,629,723	1,678,614
	<b>Total All Else</b>	<b>8,028,917</b>	<b>8,084,255</b>	<b>12,873,723</b>	<b>12,922,614</b>
445800	MFTE Application Fees	3,000	0	0	0
	<b>Total Developer application fees</b>	<b>3,000</b>	<b>0</b>	<b>0</b>	<b>0</b>
587001	General Subfund Support	0	46,462	0	0
	<b>Total General Subfund Support</b>	<b>0</b>	<b>46,462</b>	<b>0</b>	<b>0</b>
461110	Investment Earnings	202,014	876,900	4,601,500	4,601,500
	<b>Total Interest Earnings</b>	<b>202,014</b>	<b>876,900</b>	<b>4,601,500</b>	<b>4,601,500</b>
433010	Federal Grants - Weatherization	5,011,787	2,500,000	4,000,000	4,000,000
434010	State Grants - Weatherization	422,278	750,000	1,250,000	1,250,000
471010	Federal Grants-HOME Program	5,741,700	3,659,311	2,349,258	2,349,258
	<b>Total Revenue from Other Public Entities</b>	<b>11,175,764</b>	<b>6,909,311</b>	<b>7,599,258</b>	<b>7,599,258</b>
411100	Property Tax Levy	18,643,785	18,135,846	17,969,417	17,969,417
	<b>Total Taxes, Levies &amp; Bonds</b>	<b>18,643,785</b>	<b>18,135,846</b>	<b>17,969,417</b>	<b>17,969,417</b>
<b>Total Revenues</b>		<b>38,053,480</b>	<b>34,052,774</b>	<b>43,043,898</b>	<b>43,092,789</b>
379100	Use of (Contribution To) Fund Balance	-11,619,666	0	0	0
	<b>Total Use of Fund Balance</b>	<b>-11,619,666</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Resources</b>		<b>26,433,814</b>	<b>34,052,774</b>	<b>43,043,898</b>	<b>43,092,789</b>

## Office of Housing

### 2013 Estimated Revenues for the Office of Housing (16600)

Summit Code	Source	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
411100	Levy Administration	1,938,343	1,656,317	1,809,704	1,809,704
439090	Grants and Other	98,528	0	0	0
445800	MFTE application fees	343,950	73,024	80,000	80,000
461110	Contingent Bonus/TDR Administration	330,000	1,001,429	278,476	0
462900	Other Rents and Use Charges	27,081	27,000	27,000	27,000
471010	Challenge Grant	0	0	65,788	65,788
471010	HOME Administration	456,866	406,590	261,028	261,028
541490	City Light Administration	672,517	689,949	710,647	731,967
541490	Prior Year Savings	0	415,338	0	0
	<b>Total All Else</b>	<b>3,867,285</b>	<b>4,269,647</b>	<b>3,232,643</b>	<b>2,975,487</b>
587001	General Subfund Support	504,875	39,472	0	0
	<b>Total General Subfund Support</b>	<b>504,875</b>	<b>39,472</b>	<b>0</b>	<b>0</b>
433010	Federal Grants-Weatherization	442,258	613,447	817,410	823,286
434010	State Grants-Weatherization	131,815	185,000	210,000	210,424
	<b>Total Revenue from Other Public Entities</b>	<b>574,073</b>	<b>798,447</b>	<b>1,027,410</b>	<b>1,033,710</b>
	<b>Total Revenues</b>	<b>4,946,233</b>	<b>5,107,566</b>	<b>4,260,053</b>	<b>4,009,197</b>
379100	Use of (Contribution To) Fund Balance	-1,000,596	-648,692	472,588	891,416
	<b>Total Use of Fund Balance</b>	<b>0</b>	<b>-648,692</b>	<b>472,588</b>	<b>891,416</b>
	<b>Total Resources</b>	<b>3,945,637</b>	<b>4,458,874</b>	<b>4,732,641</b>	<b>4,900,613</b>

# Office of Housing

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

### CDBG - Office of Housing Budget Control Level

The purpose of the Community Development Block Grant (CDBG) - Office of Housing Budget Control Level is to provide opportunities for residents to thrive by investing in and promoting the development and preservation of affordable housing.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Homeownership and Sustainability - CDBG	836,794	1,188,185	987,108	987,108
Multi-Family Production and Preservation - CDBG	249,257	741,890	871,433	871,433
Strategic Planning, Resource, and Program Development - CDBG	411,279	30,000	101,139	101,139
<b>Total</b>	<b>1,497,330</b>	<b>1,960,075</b>	<b>1,959,680</b>	<b>1,959,680</b>

*The following information summarizes the programs in CDBG - Office of Housing Budget Control Level:*

#### **Homeownership and Sustainability - CDBG Program**

The purpose of the Homeownership and Sustainability - CDBG Program is to provide resources for low- and moderate-income Seattle residents, including seniors, to become homeowners and/or to preserve and improve their current homes. CDBG funds support minor home repairs for low-income elderly or disabled homeowners, home rehabilitation revolving loans to low-income households, technical assistance for program clients, and administrative costs for the City of Seattle's Office of Housing.

<b>Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Homeownership and Sustainability - CDBG	836,794	1,188,185	987,108	987,108

#### **Multi-Family Production and Preservation - CDBG Program**

The purpose of the Multi-Family Production and Preservation - CDBG Program is to acquire, develop, rehabilitate, and maintain affordable multifamily rental housing so the supply of housing for Seattle residents increases and affordability remains sustainable.

<b>Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Multi-Family Production and Preservation - CDBG	249,257	741,890	871,433	871,433

#### **Strategic Planning, Resource, and Program Development - CDBG Program**

The purpose of the Strategic Planning, Resource, and Program Development - CDBG Program is to provide policy review/revisions, new and revised housing programs, and vacant land redevelopment services to increase housing opportunities for Seattle residents.

<b>Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Strategic Planning, Resource, and Program Development - CDBG	411,279	30,000	101,139	101,139

## Office of Housing

### Low-Income Housing Fund 16400 Budget Control Level

The purpose of the Low-Income Housing Fund 16400 Budget Control Level is to fund multifamily housing production, and to support homeownership and sustainability.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Homeownership and Sustainability - 16400	11,364,882	8,052,098	10,114,537	10,163,428
Multi-Family Production and Preservation - 16400	15,068,933	26,000,676	32,929,361	32,929,361
<b>Total</b>	<b>26,433,815</b>	<b>34,052,774</b>	<b>43,043,898</b>	<b>43,092,789</b>

*The following information summarizes the programs in Low-Income Housing Fund 16400 Budget Control Level:*

#### **Homeownership and Sustainability - 16400 Program**

The purpose of the Homeownership and Sustainability - 16400 Program is to provide three types of loans and grants to low-income Seattle residents: loans for first-time home buyers, home repair loans to address health and safety and code repairs, and grants to make low-income housing more energy efficient.

<b>Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Homeownership and Sustainability - 16400	11,364,882	8,052,098	10,114,537	10,163,428

#### **Multi-Family Production and Preservation - 16400 Program**

The purpose of the Multi-Family Production and Preservation - 16400 Program is to invest in the community by making long-term, low-interest loans to developers to develop or preserve affordable multifamily rental housing. OH monitors the affordable housing portfolio to ensure the units remain affordable, serve the intended residents, and the buildings remain in good condition.

<b>Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Multi-Family Production and Preservation - 16400	15,068,933	26,000,676	32,929,361	32,929,361

### Office of Housing Operating Fund 16600 Budget Control Level

The purpose of the Office of Housing Operating Fund 16600 Budget Control Level is to fund the Department's administration activities.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Administration and Management - 16600	1,310,290	1,332,487	1,591,281	1,647,222
Community Development - 16600	499,898	551,395	543,813	563,325
Homeownership and Sustainability - 16600	1,019,012	1,308,270	1,340,874	1,387,158
Multi-Family Production and Preservation - 16600	1,116,437	1,266,721	1,256,673	1,302,909
<b>Total</b>	<b>3,945,638</b>	<b>4,458,874</b>	<b>4,732,641</b>	<b>4,900,613</b>
Full-time Equivalents Total*	38.50	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 Housing

*The following information summarizes the programs in Office of Housing Operating Fund 16600 Budget Control Level:*

## **Administration and Management - 16600 Program**

The purpose of the Administration and Management - 16600 Program is to provide centralized leadership, coordination, technology, contracting, and financial management support services to OH programs and capital projects to facilitate the production of affordable housing for Seattle residents.

<b>Expenditures/FTE</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Administration and Management - 16600	1,310,290	1,332,487	1,591,281	1,647,222
Full-time Equivalents Total	13.00	11.00	11.00	11.00

## **Community Development - 16600 Program**

The purpose of the Community Development -16600 Program is to provide strategic planning, program development, and vacant land redevelopment services to increase housing opportunities for Seattle residents.

<b>Expenditures/FTE</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Community Development - 16600	499,898	551,395	543,813	563,325
Full-time Equivalents Total	4.00	4.00	4.00	4.00

## **Homeownership and Sustainability - 16600 Program**

The Homeownership and Sustainability -16600 Program provides three types of loans and grants to low-income Seattle residents: loans for first-time home-buyers, home repair loans to address health and safety and code repairs, and grants to make low-income housing more energy efficient.

<b>Expenditures/FTE</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Homeownership and Sustainability - 16600	1,019,012	1,308,270	1,340,874	1,387,158
Full-time Equivalents Total	12.00	13.00	13.00	13.00

## **Multi-Family Production and Preservation - 16600 Program**

The Multi-Family Production and Preservation -16600 Program invests in the community by making long-term, low-interest loans to developers to develop or preserve affordable multifamily rental housing. OH monitors the affordable housing portfolio to ensure the units remain affordable and serve the intended residents, and the buildings remain in good condition.

<b>Expenditures/FTE</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Multi-Family Production and Preservation - 16600	1,116,437	1,266,721	1,256,673	1,302,909
Full-time Equivalents Total	9.50	9.50	9.50	9.50

## Office of Housing

### Housing Fund Table

#### Office of Housing (16600)

	2011 Actuals	2012 Adopted	2012 Revised	2013 Proposed	2014 Proposed
<b>Beginning Fund Balance</b>	<b>702,010</b>	<b>1,117,968</b>	<b>1,702,606</b>	<b>1,760,145</b>	<b>1,287,557</b>
Accounting and Technical Adjustments	0	0	0	0	0
Plus: Actual and Estimated Revenues	4,946,233	5,107,566	4,516,414	4,260,053	4,009,197
Less: Actual and Budgeted Expenditures	3,945,638	4,458,874	4,458,874	4,732,641	4,900,613
<b>Ending Fund Balance</b>	<b>1,702,606</b>	<b>1,766,660</b>	<b>1,760,145</b>	<b>1,287,557</b>	<b>396,141</b>
Housing Levy/Bonus Admin Reserve	1,323,146	1,625,660	1,760,145	1,273,826	385,364
Multi-Family Tax Exemption Admin Reserve	253,950	141,000			
<b>Total Reserves</b>	<b>1,577,096</b>	<b>1,766,660</b>	<b>1,760,145</b>	<b>1,273,826</b>	<b>385,364</b>
<b>Ending Unreserved Fund Balance</b>	<b>125,510</b>	<b>0</b>	<b>0</b>	<b>13,731</b>	<b>10,777</b>

#### Low-Income Housing Fund (16400)

	2011 Actuals	2012 Adopted	2012 Revised	2013 Proposed	2014 Proposed
<b>Beginning Fund Balance</b>	<b>75,817,096</b>	<b>74,789,737</b>	<b>87,581,821</b>	<b>87,581,821</b>	<b>87,581,821</b>
Accounting and Technical Adjustments	145,061	0	0	0	0
Plus: Actual and Estimated Revenues	38,053,480	34,052,774	34,052,774	43,043,898	43,092,789
Less: Actual and Budgeted Expenditures	26,433,815	34,052,774	34,052,774	43,043,898	43,092,789
<b>Ending Fund Balance</b>	<b>87,581,821</b>	<b>74,789,737</b>	<b>87,581,821</b>	<b>87,581,821</b>	<b>87,581,821</b>
Reserved Capital Fund Balance	86,549,823	74,789,737	86,549,823	86,549,823	83,350,931
<b>Total Reserves</b>	<b>86,549,823</b>	<b>74,789,737</b>	<b>86,549,823</b>	<b>86,549,823</b>	<b>83,350,931</b>
<b>Ending Unreserved Fund Balance</b>	<b>1,031,998</b>	<b>0</b>	<b>1,031,998</b>	<b>1,031,998</b>	<b>4,230,890</b>



# Neighborhood Matching Subfund



## Department Overview

The purpose of the Neighborhood Matching Subfund (NMF) is to provide resources for Seattle's communities to preserve and enhance the City's diverse neighborhoods, and to empower people to make positive contributions to their communities. It is administered by the Department of Neighborhoods (DON).

The NMF was established in 1988 to support partnerships between the City of Seattle and neighborhood organizations to undertake neighborhood-initiated planning, organizing, and physical improvement projects. The City provides cash that is matched by the community's contribution of volunteer labor, donated materials and professional services, or cash. Applications are accepted from neighborhood-based organizations of residents or businesses, community-based organizations that advocate for the interests of people of color, and ad-hoc groups of neighbors that form a committee for the purpose of a specific project. The NMF awards are divided into three categories: Large Projects Fund (awards up to \$100,000); Small and Simple Projects Fund (awards up to \$20,000); and Small Sparks Fund (awards up to \$1,000).

The NMF Program is housed in and staffed by the Department of Neighborhoods. NMF staff also coordinates with other City departments such as the Department of Parks and Recreation, Seattle Department of Transportation, Seattle Public Utilities, Department of Planning and Development, and others when projects are within the jurisdiction of these departments.

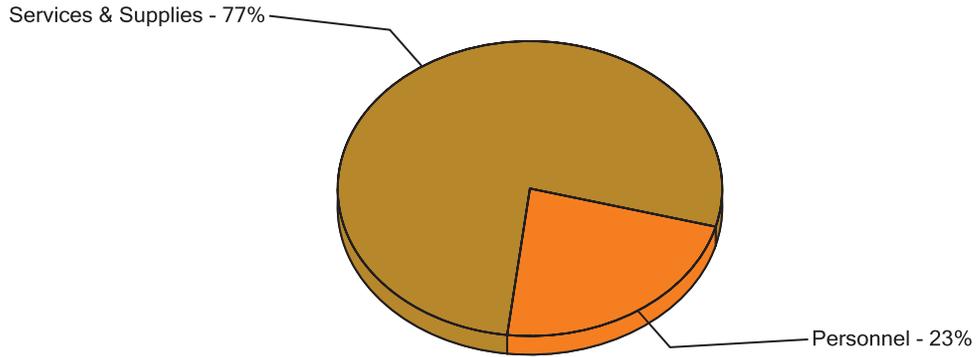
## Budget Snapshot

Department Support	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Other Funding - Operating	\$325,059	\$313,926	\$319,538	\$326,561
General Fund Support	\$2,851,396	\$2,779,022	\$2,991,284	\$3,066,137
<b>Total Operations</b>	<b>\$3,176,455</b>	<b>\$3,092,949</b>	<b>\$3,310,821</b>	<b>\$3,392,698</b>
<b>Total Appropriations</b>	<b>\$3,176,455</b>	<b>\$3,092,949</b>	<b>\$3,310,821</b>	<b>\$3,392,698</b>
Full-time Equivalent Total*	6.00	6.00	6.00	6.00

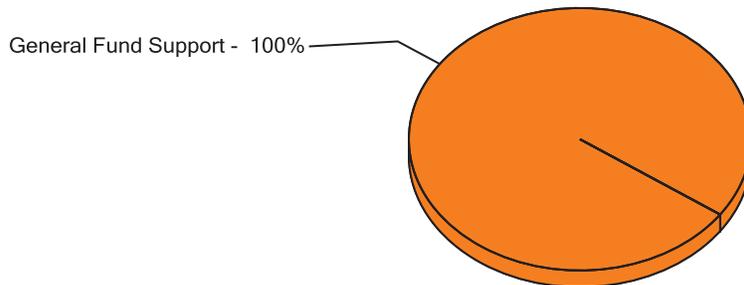
\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Personnel Director actions outside of the budget process may not be detailed here.

## Neighborhood Matching Subfund

### 2013 Proposed Budget - Expenditure by Category



### 2013 Proposed Budget - Revenue by Category



# Neighborhood Matching Subfund

## Budget Overview

The 2013-2014 Proposed Budget for the Neighborhood Matching Subfund (NMF) maintains funding for neighborhood projects. The budget also increases NMF by \$100,000 in each year specifically for ethnic/cultural facility improvements. Funds will be awarded through the Small and Simple (SAS) Projects Fund, which makes awards of \$20,000 or less. As a "special designation project type," ethnic/cultural facility improvements will be promoted, and groups will be encouraged to apply for SAS funding. Facility improvements include, but are not limited to, handicap accessibility, façade/external beautification, small scale kitchen or bathroom renovation, and interior/exterior painting of facility.

## Incremental Budget Changes

### Neighborhood Matching Subfund

	2013		2014	
	Budget	FTE	Budget	FTE
<b>Total 2012 Adopted Budget</b>	<b>\$ 3,092,949</b>	<b>6.00</b>	<b>\$ 3,092,949</b>	<b>6.00</b>
<b>Baseline Changes</b>				
Citywide Adjustments for Standard Cost Changes	\$ 78,242	0.00	\$ 158,398	0.00
Technical Changes - Baseline Phase	\$ 38,621	0.00	\$ 39,859	0.00
<b>Proposed Policy Changes</b>				
Increase NMF for Ethnic/Cultural Center Enhancements	\$ 100,000	0.00	\$ 100,000	0.00
<b>Proposed Technical Changes</b>				
Final Citywide Adjustments for Standard Cost Changes	\$ 1,009	0.00	\$ 1,492	0.00
<b>Total Incremental Changes</b>	<b>\$ 217,872</b>	<b>0.00</b>	<b>\$ 299,749</b>	<b>0.00</b>
<b>2013 - 2014 Proposed Budget</b>	<b>\$ 3,310,821</b>	<b>6.00</b>	<b>\$ 3,392,698</b>	<b>6.00</b>

## Description of Incremental Budget Changes

### Baseline Changes

#### **Citywide Adjustments for Standard Cost Changes - \$78,242**

Citywide technical adjustments made in the "Baseline Phase" reflect changes due to inflation, central cost allocations, retirement, health care, workers' compensation, and employment costs. These adjustments reflect initial assumptions about these costs and inflators early in the budget process.

#### **Technical Changes - Baseline Phase - \$38,621**

Department technical changes in the Baseline Phase include an intradepartmental service cost adjustment of \$664 from NMF to DON and a salary adjustment increase of \$39,285, which is offset by a salary reduction in the Department of Neighborhood's baseline.

# Neighborhood Matching Subfund

## Proposed Policy Changes

### Increase NMF for Ethnic/Cultural Center Enhancements - \$100,000

This change increases the Neighborhood Matching Subfund by \$100,000 in each year specifically for ethnic/cultural facility improvements. Funds will be awarded through the Small and Simple (SAS) Projects Fund, which makes awards of \$20,000 or less. As a "special designation project type," ethnic/cultural facility improvements will be promoted, and groups will be encouraged to apply for SAS funding. Facility improvements include, but are not limited to, handicap accessibility, façade/external beautification, small scale kitchen or bathroom renovation, and interior/exterior painting of facility.

## Proposed Technical Changes

### Final Citywide Adjustments for Standard Cost Changes - \$1,009

Citywide technical adjustments made in the "Proposed Phase" reflect changes due to inflation, central cost allocations, retirement, health care, workers' compensation, and unemployment costs. These adjustments typically reflect updates to preliminary cost assumptions established in the "Baseline Phase."

## Expenditure Overview

Appropriations	Summit Code	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
<b>Neighborhood Matching Fund Budget Control</b>					
Large Projects Fund		1,239,222	1,197,504	1,221,455	1,249,549
Management and Project Development		640,262	709,546	779,750	805,713
Small and Simple Projects Fund		1,245,607	1,170,878	1,294,296	1,321,764
Small Sparks Fund		51,364	15,020	15,320	15,673
<b>Total</b>	<b>2IN00</b>	<b>3,176,455</b>	<b>3,092,949</b>	<b>3,310,821</b>	<b>3,392,698</b>
<b>Department Total</b>		<b>3,176,455</b>	<b>3,092,949</b>	<b>3,310,821</b>	<b>3,392,698</b>
<b>Department Full-time Equivalents Total*</b>		<b>6.00</b>	<b>6.00</b>	<b>6.00</b>	<b>6.00</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.

## Revenue Overview

### 2013 Estimated Revenues

Summit Code	Source	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
587001	Operating Transfer In from Finance General	2,851,396	2,779,022	2,991,283	3,066,138
	<b>Total General Fund Support</b>	<b>2,851,396</b>	<b>2,779,022</b>	<b>2,991,283</b>	<b>3,066,138</b>
	<b>Total Revenues</b>	<b>2,851,396</b>	<b>2,779,022</b>	<b>2,991,283</b>	<b>3,066,138</b>
379100	Use of (Contribution To) Fund Balance	313,927	111,548	326,561	339,623
	<b>Total Use of Fund Balance</b>	<b>313,927</b>	<b>111,548</b>	<b>326,561</b>	<b>339,623</b>
	<b>Total Resources</b>	<b>3,165,323</b>	<b>2,890,570</b>	<b>3,317,844</b>	<b>3,405,761</b>

## Neighborhood Matching Subfund

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

#### **Neighborhood Matching Fund Budget Control Level**

The purpose of the Neighborhood Matching Fund Budget Control Level is to support local grassroots projects within neighborhoods and communities. The Neighborhood Matching Fund provides funding to match community contributions of volunteer labor, donated professional services and materials, or cash, to implement community-based self-help projects.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Large Projects Fund	1,239,222	1,197,504	1,221,455	1,249,549
Management and Project Development	640,262	709,546	779,750	805,713
Small and Simple Projects Fund	1,245,607	1,170,878	1,294,296	1,321,764
Small Sparks Fund	51,364	15,020	15,320	15,673
<b>Total</b>	<b>3,176,455</b>	<b>3,092,949</b>	<b>3,310,821</b>	<b>3,392,698</b>
Full-time Equivalents Total*	6.00	6.00	6.00	6.00

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

**The following information summarizes the programs in Neighborhood Matching Fund Budget Control Level:**

#### **Large Projects Fund Program**

The purpose of the Large Projects Fund is to provide funding to grassroots organizations initiating community building projects that require up to 12 months to complete and up to \$100,000 in Neighborhood Matching Funds.

<b>Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Large Projects Fund	1,239,222	1,197,504	1,221,455	1,249,549

#### **Management and Project Development Program**

The purpose of the Management and Project Development division is to administer the community grant awards by providing marketing and outreach to applicant groups; technical assistance and support to community groups for project development and implementation; administrative support coordinating and conducting the application review and award processes; and management and monitoring of funded projects to support high-quality and successful completion of projects.

<b>Expenditures/FTE</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Management and Project Development	640,262	709,546	779,750	805,713
Full-time Equivalents Total	6.00	6.00	6.00	6.00

#### **Small and Simple Projects Fund Program**

The purpose of the Small and Simple Projects Fund is to provide funding for community building projects initiated by grassroots organizations that can be completed in 12 months or less and require up to \$20,000 in funding.

<b>Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Small and Simple Projects Fund	1,245,607	1,170,878	1,294,296	1,321,764

#### **Small Sparks Fund Program**

The purpose of the Small Sparks Fund is to provide one-time awards of up to \$1,000 for small community building projects initiated by grassroots organizations. Awards are available to neighborhood organizations with annual operating budgets under \$25,000.

## Neighborhood Matching Subfund

Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Small Sparks Fund	51,364	15,020	15,320	15,673

### Neighborhood Matching Subfund Fund Table

#### Neighborhood Matching Subfund (00165)

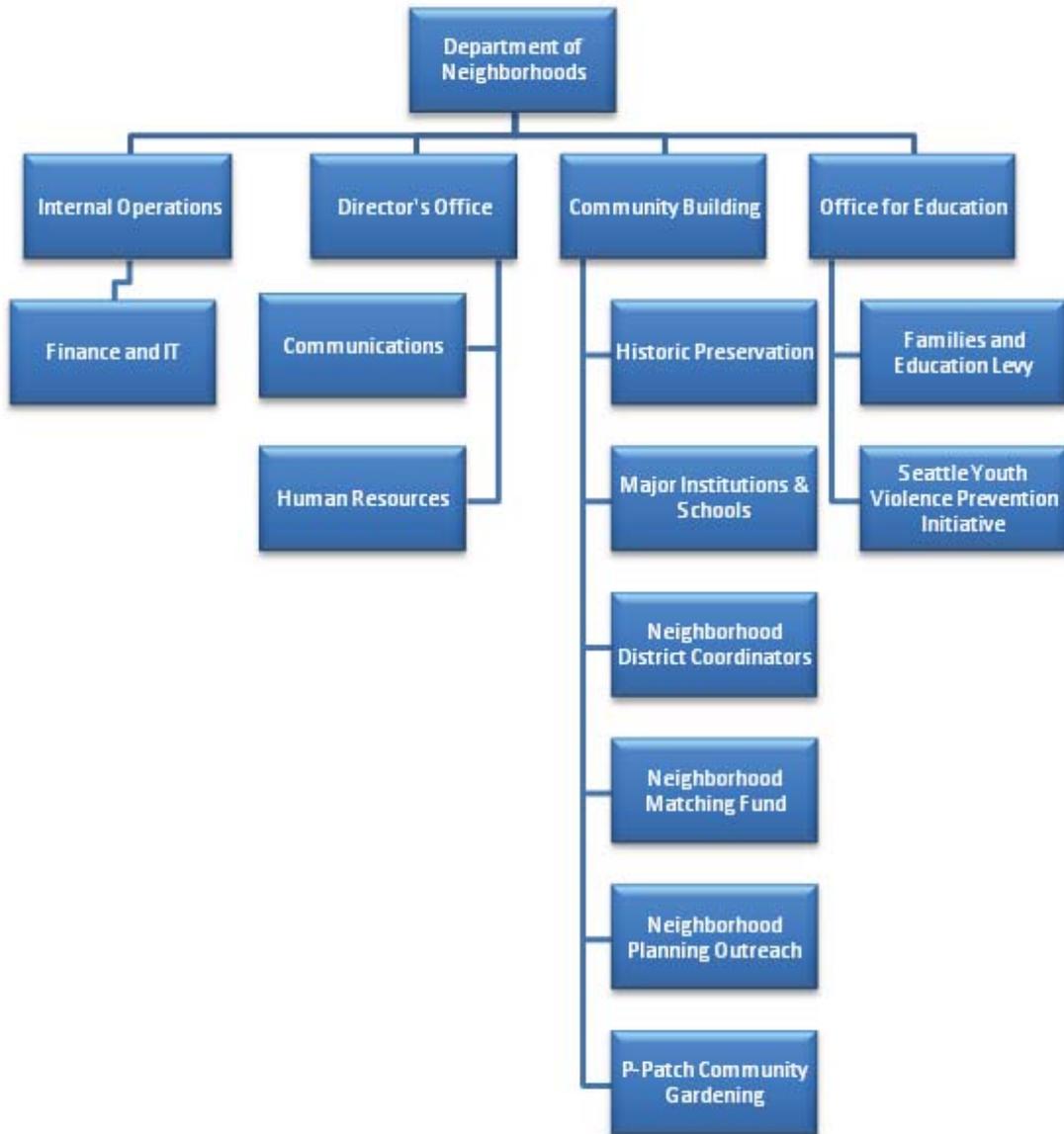
	2011 Actuals	2012 Adopted	2012 Revised	2013 Proposed	2014 Proposed
<b>Beginning Fund Balance</b>	<b>4,284,042</b>	<b>4,085,475</b>	<b>3,958,983</b>	<b>3,617,266</b>	<b>3,297,728</b>
Accounting and Technical Adjustments	0	0	0	0	0
Plus: Actual and Estimated Revenues	2,851,396	2,779,022	2,751,232	2,991,283	3,066,138
Less: Actual and Budgeted Expenditures	3,176,455	3,092,949	3,092,949	3,310,821	3,392,698
<b>Ending Fund Balance</b>	<b>3,958,983</b>	<b>3,771,548</b>	<b>3,617,266</b>	<b>3,297,728</b>	<b>2,971,168</b>
Continuing Appropriations	3,645,000	3,660,000	3,316,000	2,929,000	2,913,000
<b>Total Reserves</b>	<b>3,645,000</b>	<b>3,660,000</b>	<b>3,316,000</b>	<b>2,929,000</b>	<b>2,913,000</b>
<b>Ending Unreserved Fund Balance</b>	<b>313,983</b>	<b>111,548</b>	<b>301,266</b>	<b>368,728</b>	<b>58,168</b>

# Department of Neighborhoods

Bernie Matsuno, Director

Department Information Line: (206) 684-0464

On the Web at: <http://www.seattle.gov/neighborhoods/>



# Department of Neighborhoods

## Department Overview

The Department of Neighborhoods (DON) works to bring government closer to the residents of Seattle by engaging them in civic participation, helping them become empowered to make positive contributions to their communities, and involving more of Seattle's residents, including communities of color and immigrants, in civic discussions, processes, and opportunities.

As part of their mission, DON also manages the Neighborhood Matching Fund (NMF), which provides grant resources for Seattle's communities to preserve and enhance the City's diverse neighborhoods.

DON has four lines of business:

- 1) The Director's Office provides executive leadership, communications, and human resources services for the entire Department.
- 2) The Community Building Division delivers technical assistance, support services, and programs in neighborhoods to strengthen local communities, engage residents in neighborhood improvement, leverage resources and complete neighborhood-initiative projects. The programs that support this work include the P-Patch Community Gardens, Neighborhood District Coordinators, Major Institutions and Schools, South Park Information and Resource Center (SPIARC), Historic Preservation, and Neighborhood Planning Outreach.

Also part of the Community Building Division is the NMF program, which provides consultation and technical assistance to community groups seeking City grant awards; coordination of the grant application and award process; negotiation and execution of contracts with awarded organizations; and oversight and management of projects when under contract and being implemented.

- 3) The Internal Operations Division provides financial and information technology services to Department employees so that they may serve customers efficiently and effectively.
- 4) The Office for Education (OFE) builds linkages between the City of Seattle and the Seattle Public School District. It administers the Families and Education Levy; provides policy direction to help children succeed in school; strengthens school-community connections; and increases access to high-quality programs that are achieving improved academic outcomes.

Also part of OFE is the Seattle Youth Violence Prevention Initiative (SYVPI), which delivers on its mission to reduce juvenile violent crime through a variety of youth violence prevention programs administered by several departments citywide. These programs include active outreach, case management, and employment services including internships, individual and group programming, and support services.

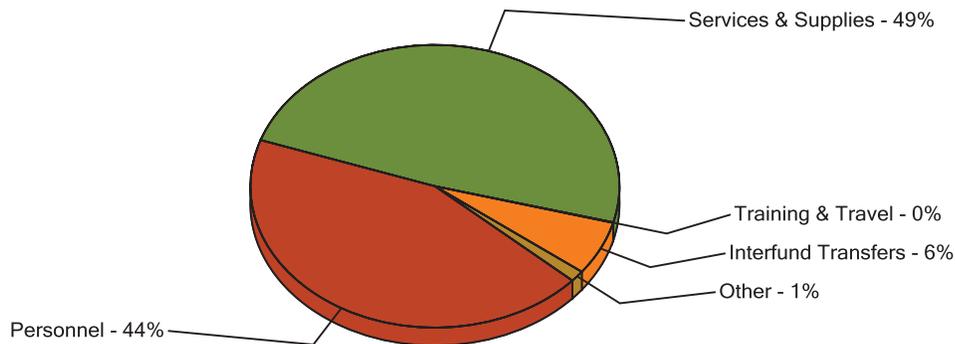
## Budget Snapshot

Department Support	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
General Fund Support	\$10,413,277	\$8,464,057	\$10,377,961	\$10,854,469
<b>Total Operations</b>	<b>\$10,413,277</b>	<b>\$8,464,057</b>	<b>\$10,377,961</b>	<b>\$10,854,469</b>
<b>Total Appropriations</b>	<b>\$10,413,277</b>	<b>\$8,464,057</b>	<b>\$10,377,961</b>	<b>\$10,854,469</b>
Full-time Equivalent Total*	62.25	40.50	41.25	41.25

\* 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.

## Department of Neighborhoods

### 2013 Proposed Budget - Expenditure by Category



### Budget Overview

The 2013-2014 Proposed Budget for the Department of Neighborhoods includes cost reductions that represent increasing staffing efficiency and reducing redundancy. The budget also includes an increase to the Seattle Youth Violence Prevention Initiative, managed within the Office for Education, to provide adequate capacity to implement the current program, expand to serve an additional 450 youth, and fund a database and case management reporting system.

Staffing efficiencies are achieved through reducing appropriations for work that is no longer needed as a result of co-locating the Neighborhood District Coordinators at the three Neighborhood Payment and Information Services (NPIS) locations. Work study students were an integral part of the Neighborhood District Coordinator program when the NDCs were located at multiple Neighborhood Service Centers. Now that the NDCs are co-located at three regional offices (Ballard, Central, Southwest), work study students are no longer needed to provide staff support in the absence of a coordinator. The administrative staff reduction is also a result of the elimination of work related to facility management for previous NDC locations, now managed by the Department of Finance and Administrative Services at the three NPIS locations.

The Seattle Youth Violence Prevention Initiative provides direct services to approximately 1,050 youth most at risk for perpetuating or being a victim of violence. During its first three years, the Initiative has been oversubscribed as demand for services exceeded available capacity, which was initially set at 800 youth. Through careful financial management and reductions that allow for a reprioritization of resources, General Fund support for SYVPI is increased in the 2013-2014 Proposed Budget to serve an additional 450 youth across the three SYVPI Neighborhood Network sites, bringing the total to 1,500 youth served. The funding also provides adequate staffing for the existing SYVPI population of 1,050 youth within the three Neighborhood Networks to more effectively implement the current program and new risk assessment screening process to better target interventions to youth most at risk. Enrolled youth are provided with activities, mentoring, case management, employment services, and other targeted services that address the needs of the youth population, which vary among the three sites in Southeast, Southwest and Central Seattle. With this expansion of the Initiative's capacity at the same time it is implementing the risk assessment screening process, the City will have a greater impact on reducing youth violence through the identification and enrollment of increased numbers of high-risk and gang-involved youth and through new capacity to provide services tailored to this population.

Strong case management is imperative to provide support and track outcomes for SYVPI youth. A federal grant has funded the current database management system for the past three years, but will expire at the end of 2012, necessitating a new appropriation to extend the database and case management reporting system.

## Department of Neighborhoods

### Incremental Budget Changes

#### Department of Neighborhoods

	2013		2014	
	Budget	FTE	Budget	FTE
<b>Total 2012 Adopted Budget</b>	<b>\$ 8,464,057</b>	<b>40.50</b>	<b>\$ 8,464,057</b>	<b>40.50</b>
<b>Baseline Changes</b>				
Citywide Adjustments for Standard Cost Changes	\$ 296,300	0.00	\$ 551,353	0.00
Technical Changes - Baseline Phase	-\$ 66,361	0.00	-\$ 80,125	0.00
<b>Proposed Policy Changes</b>				
Reduce Administrative Staff	-\$ 20,000	-0.25	-\$ 20,000	-0.25
Eliminate Work Study Funding	-\$ 17,655	0.00	-\$ 18,009	0.00
Eliminate SPIARC Funding in 2014	\$ 0	0.00	-\$ 52,952	0.00
Recognize HUD Challenge Grant Revenue	\$ 0	0.00	\$ 0	0.00
Provide Adequate Staffing and Add Capacity to SYVPI	\$ 1,681,397	1.00	\$ 1,976,512	1.00
Extend SYVPI Database and Case Management Reporting System	\$ 99,240	0.00	\$ 99,240	0.00
<b>Proposed Technical Changes</b>				
Final Citywide Adjustments for Standard Cost Changes	-\$ 17,881	0.00	-\$ 20,846	0.00
Technical Changes - Executive Phase	-\$ 41,136	0.00	-\$ 44,761	0.00
<b>Total Incremental Changes</b>	<b>\$ 1,913,904</b>	<b>0.75</b>	<b>\$ 2,390,412</b>	<b>0.75</b>
<b>2013 - 2014 Proposed Budget</b>	<b>\$ 10,377,961</b>	<b>41.25</b>	<b>\$ 10,854,469</b>	<b>41.25</b>

### Description of Incremental Budget Changes

#### Baseline Changes

##### **Citywide Adjustments for Standard Cost Changes - \$296,300**

Citywide technical adjustments made in the "Baseline Phase" reflect changes due to inflation, central cost allocations, retirement, health care, workers' compensation, and employment costs. These adjustments reflect initial assumptions about these costs and inflators early in the budget process.

##### **Technical Changes - Baseline Phase - (\$66,361)**

Department technical adjustments in the Baseline of the 2013-2014 Proposed Budget include departmental and citywide non-programmatic adjustments that do not represent fundamental changes of the Department of Neighborhood's service delivery. Included within these adjustments is a total reduction of -\$101,858 reflecting changes in central cost allocations due to an increase in the vacancy rate assumption, salary transfer to the Neighborhood Matching Fund (NMF), and the legal clinic transfer to the Department of Finance and Administrative Services.

# Department of Neighborhoods

## Proposed Policy Changes

### **Reduce Administrative Staff - (\$20,000)/(.25) FTE**

In response to a reduction in duties, 1.0 FTE Administrative Staff Assistant position is reduced to 0.75 FTE. This position is responsible for facilities and other support functions and had helped to support the Neighborhood Payment and Information Services (NPIS)/Neighborhood Service Centers (NSC), which have been transferred to management by the Department of Finance and Administrative Services.

### **Eliminate Work Study Funding - (\$17,655)**

Funding is eliminated for DON's work study opportunities at the three Neighborhood Service Centers and also in the Communications program. The functions previously served by the work study students is duplicative with work of current City staff as a result of a 2012 change co-locating the Neighborhood District Coordinators at the three Neighborhood Payment and Information Services (NPIS) locations. NDCs are now co-located at three regional offices (Ballard, Central, Southwest), and work study students are no longer needed to provide staff support in the absence of a coordinator.

### **Eliminate SPIARC Funding in 2014**

The proposed budget eliminates \$52,952 in funding for 2014 for the South Park Information and Resource Center (SPIARC). Funding was provided in 2011 as part of the South Park Action Agenda in order to support a multi-lingual resource center for the South Park community and its diverse immigrant population to mitigate the impacts on the community during the period of time that the South Park Bridge is under construction. SPIARC provides direct assistance such as employment application assistance, translation and interpretation services, and English classes, as well as connects customers to outside services and resources. Reconstruction of the South Park Bridge is expected to be complete in fall 2013, eliminating the need for this funding support from the City. SPIARC is in the process of implementing the organization's fundraising plan in anticipation of the elimination in funding.

### **Recognize HUD Challenge Grant Revenue**

General Fund personnel costs are supported using the federal HUD Challenge grant award funds awarded to the City in 2012. The DON portion of the Challenge grant of \$28,000 in 2013 and in 2014 is focused on outreach and engagement to immigrants and refugees through the use of Public Outreach and Engagement Liaisons. Revenues are recognized in the General Fund.

### **Provide Adequate Staffing and Add Capacity to SYVPI - \$1,681,397/1.00 FTE**

This change provides funding to serve an additional 450 youth across the three SYVPI Neighborhood Network sites, bringing the total served to 1,500 youth who are at risk of perpetuating and being victims of violence. The funding also provides adequate staffing for the existing SYVPI population of 1,050 youth within the three Neighborhood Networks to more effectively implement the current program and new risk assessment screening process. Enrolled youth are provided with activities, mentoring, case management, employment services, and other targeted services that address the needs of the youth population, which vary among the three sites in Southeast, Southwest and Central Seattle. The majority of the funding will be provided to local nonprofits who are partners in implementing the Initiative. SYVPI will add 1.0 FTE to manage the increase in grants and contracts.

### **Extend SYVPI Database and Case Management Reporting System - \$99,240**

In 2013-2014, the expanded Seattle Youth Violence Prevention Initiative (SYVPI) will provide direct services to approximately 1,500 youth most at risk for perpetuating or being a victim of violence. A three-year Office for Juvenile Justice and Delinquency Prevention (OJJDP) grant will expire at the end of 2012. The grant had funded the hosting, maintenance, and licensing for a database and case management reporting system to track providers' performance data and provide status updates of youth served. The SYVPI budget is increased by \$99,240 in both 2013 and 2014 to extend the SYVPI database and case management reporting system.

# Department of Neighborhoods

## Proposed Technical Changes

### Final Citywide Adjustments for Standard Cost Changes - (\$17,881)

Citywide technical adjustments made in the "Proposed Phase" reflect changes due to inflation, central cost allocations, retirement, health care, workers' compensation, and unemployment costs. These adjustments typically reflect updates to preliminary cost assumptions established in the "Baseline Phase."

### Technical Changes - Executive Phase - (\$41,136)

Technical adjustments in the 2013-2014 Proposed Budget include departmental and citywide non-programmatic adjustments that do not represent fundamental changes to the department's service delivery. Technical changes include budget-neutral technical adjustments; a decrease of the salary account to correct an inadvertent increase; and restoring \$12,000 in funding for space and related costs for Neighborhood District Coordinators (NDCs) housed at the Neighborhood Service Centers (NSCs).

## Expenditure Overview

Appropriations	Summit Code	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
<b>Community Building Budget Control</b>					
Historic Preservation-Community Building		0	0	699,854	724,671
Major Institutions and Schools		188,391	207,000	218,365	225,913
Neighborhood District Coordinators		1,325,558	1,213,050	1,266,973	1,310,355
Neighborhood Planning Outreach		245,103	252,311	263,766	271,864
P-Patch Community Gardens		627,517	669,071	752,678	778,239
South Park Information and Resource Center		145,860	50,747	51,762	0
<b>Total</b>	<b>I3300</b>	<b>2,532,428</b>	<b>2,392,179</b>	<b>3,253,398</b>	<b>3,311,042</b>
<b>Director's Office Budget Control</b>					
Communications		109,072	151,572	157,976	163,147
Executive Leadership		263,367	297,809	312,273	322,559
Historic Preservation		797,162	742,611	0	0
<b>Total</b>	<b>I3100</b>	<b>1,169,601</b>	<b>1,191,991</b>	<b>470,249</b>	<b>485,706</b>
<b>Internal Operations Budget Control</b>					
Internal Operations/Administrative Services		1,461,410	1,503,807	1,402,032	1,426,675
Neighborhood Payment and Information Services		1,821,908	0	0	0
<b>Total</b>	<b>I3200</b>	<b>3,283,318</b>	<b>1,503,807</b>	<b>1,402,032</b>	<b>1,426,675</b>
<b>Youth Violence Prevention Budget Control Level</b>	<b>I4100</b>	<b>3,427,930</b>	<b>3,376,079</b>	<b>5,252,282</b>	<b>5,631,046</b>
<b>Department Total</b>		<b>10,413,277</b>	<b>8,464,057</b>	<b>10,377,961</b>	<b>10,854,469</b>
<b>Department Full-time Equivalents Total*</b>		<b>62.25</b>	<b>40.50</b>	<b>41.25</b>	<b>41.25</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 Neighborhoods

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

#### Community Building Budget Control Level

The purpose of the Community Building Budget Control Level is to deliver technical assistance, support services, and programs in neighborhoods to strengthen local communities, engage residents in neighborhood improvement, leverage resources, and complete neighborhood-initiated projects.

Program Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Historic Preservation-Community Building	0	0	699,854	724,671
Major Institutions and Schools	188,391	207,000	218,365	225,913
Neighborhood District Coordinators	1,325,558	1,213,050	1,266,973	1,310,355
Neighborhood Planning Outreach	245,103	252,311	263,766	271,864
P-Patch Community Gardens	627,517	669,071	752,678	778,239
South Park Information and Resource Center	145,860	50,747	51,762	0
<b>Total</b>	<b>2,532,428</b>	<b>2,392,179</b>	<b>3,253,398</b>	<b>3,311,042</b>
Full-time Equivalents Total*	23.50	21.50	28.50	28.50

\* 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 Community Building Budget Control Level:**

#### **Historic Preservation-Community Building Program**

The purpose of the Historic Preservation - Community Building Program is to provide technical assistance, outreach, and education to the general public, owners of historic properties, government agencies, and elected officials to identify, protect, rehabilitate, and re-use historic properties. This program is transferred from the Director's Office Budget Control Level in the 2013-2014 Proposed Budget.

Expenditures/FTE	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Historic Preservation-Community Building	0	0	699,854	724,671
Full-time Equivalents Total	0.00	0.00	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.

Expenditures/FTE	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Major Institutions and Schools	188,391	207,000	218,365	225,913
Full-time Equivalents Total	1.50	1.50	1.50	1.50

## Department of Neighborhoods

### Neighborhood District Coordinators Program

The purpose of the Neighborhood District Coordinators Program is to provide a range of technical assistance and support services for residents and neighborhood groups to develop a sense of partnership among neighborhood residents, businesses, and City government.

Expenditures/FTE	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Neighborhood District Coordinators	1,325,558	1,213,050	1,266,973	1,310,355
Full-time Equivalents Total	12.50	11.50	11.50	11.50

### Neighborhood Planning Outreach Program

The purpose of the Neighborhood Planning Outreach Program is to lead the inclusive outreach and engagement activities of Neighborhood Planning efforts across the City by working with communities to revise Neighborhood Plans to reflect changes and opportunities presented by new development and major transportation investments, including Light Rail. It also assists City departments with other outreach and engagement efforts.

Expenditures/FTE	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Neighborhood Planning Outreach	245,103	252,311	263,766	271,864
Full-time Equivalents Total	1.50	1.50	1.50	1.50

### P-Patch Community Gardens Program

The purpose of the P-Patch Community Gardens Program is to provide community gardens, gardening space, and related support to Seattle residents while preserving open space for productive purposes, particularly in high-density communities. The goals of the program are to increase self-reliance among gardeners, and for P-Patch Community Gardens to be focal points for community involvement.

Expenditures/FTE	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
P-Patch Community Gardens	627,517	669,071	752,678	778,239
Full-time Equivalents Total	7.00	7.00	7.00	7.00

### South Park Information and Resource Center Program

The purpose of the South Park Information and Resource Center is to provide support for a multi-lingual resource center for the South Park community and its diverse immigrant population to mitigate the impacts on the community during the period of time that the South Park Bridge is under construction. The center provides direct assistance such as employment application assistance, translation and interpretation services, and English classes, as well as connects customers to outside services and resources. Funding was initially provided in 2011 as part of the South Park Action Agenda, now transferred to the Office of Economic Development.

Expenditures/FTE	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
South Park Information and Resource Center	145,860	50,747	51,762	0
Full-time Equivalents Total	1.00	0.00	0.00	0.00

## Department of Neighborhoods

### Director's Office Budget Control Level

The purpose of the Director's Office Budget Control Level is to provide executive leadership, communications, and operational support for the entire department.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Communications	109,072	151,572	157,976	163,147
Executive Leadership	263,367	297,809	312,273	322,559
Historic Preservation	797,162	742,611	0	0
<b>Total</b>	<b>1,169,601</b>	<b>1,191,991</b>	<b>470,249</b>	<b>485,706</b>
Full-time Equivalents Total*	10.25	10.00	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.

**The following information summarizes the programs in Director's Office Budget Control Level:**

#### **Communications Program**

The purpose of the Communications Program is to provide printed and electronic information on programs and services offered by the Department, as well as to publicize other opportunities to increase civic participation.

<b>Expenditures/FTE</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Communications	109,072	151,572	157,976	163,147
Full-time Equivalents Total	1.00	1.00	1.00	1.00

#### **Executive Leadership Program**

The purpose of the Executive Leadership Program is to provide leadership in fulfilling the Department's mission, and to facilitate the Department's communication and interaction with other City departments, external agencies, elected officials, and the public.

<b>Expenditures/FTE</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Executive Leadership	263,367	297,809	312,273	322,559
Full-time Equivalents Total	2.00	2.00	2.00	2.00

#### **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. This program is transferred to the Community Building Budget Control Level in the 2013-2014 Proposed Budget.

<b>Expenditures/FTE</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Historic Preservation	797,162	742,611	0	0
Full-time Equivalents Total	7.25	7.00	0.00	0.00

## Department of Neighborhoods

### Internal Operations Budget Control Level

The purpose of the Internal Operations Budget Control Level is to provide financial, human resources, facility, administrative, and information technology services to the Department's employees to serve customers efficiently and effectively.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Internal Operations/Administrative Services	1,461,410	1,503,807	1,402,032	1,426,675
Neighborhood Payment and Information Services	1,821,908	0	0	0
<b>Total</b>	<b>3,283,318</b>	<b>1,503,807</b>	<b>1,402,032</b>	<b>1,426,675</b>
Full-time Equivalents Total*	27.50	7.00	6.75	6.75

\* 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 Internal Operations Budget Control Level:**

#### **Internal Operations/Administrative Services Program**

The purpose of the Internal Operations/Administrative Services Program is to manage financial, human resources, facility, administrative, and information technology services to enable department employees to serve customers efficiently and effectively.

<b>Expenditures/FTE</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Internal Operations/Administrative Services	1,461,410	1,503,807	1,402,032	1,426,675
Full-time Equivalents Total	10.00	7.00	6.75	6.75

#### **Neighborhood Payment and Information Services Program**

The purpose of the Neighborhood Payment and Information Services Program is to accept payment for public services and to provide information and referral services so that customers can access City services where they live and work, and do business with the City more easily. This program was transferred to the Department of Finance and Administrative Services in 2012.

<b>Expenditures/FTE</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Neighborhood Payment and Information Services	1,821,908	0	0	0
Full-time Equivalents Total	17.50	0.00	0.00	0.00

## Department of Neighborhoods

### Youth Violence Prevention Budget Control Level

The purpose of the Youth Violence Prevention Budget Control Level is to help reduce juvenile violent crimes.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Youth Violence Prevention	3,427,930	3,376,079	5,252,282	5,631,046
<b>Total</b>	<b>3,427,930</b>	<b>3,376,079</b>	<b>5,252,282</b>	<b>5,631,046</b>
Full-time Equivalents Total*	1.00	2.00	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.*



# Pike Place Market Levy

Ben Franz-Knight, Executive Director

Pike Place Market Preservation and Development Authority

PDA Information Line: (206) 682-7453

On the Web at: <http://www.pikeplacemarket.org>



## Department Overview

The Pike Place Market Levy, approved by voters in November 2008, collects up to \$73 million in additional property taxes over six years for major repairs, infrastructure, and accessibility upgrades to buildings owned by the Pike Place Market Preservation and Development Authority (PDA). The PDA is a nonprofit, public corporation chartered by the City of Seattle. As part of its mission, the PDA is required to preserve, rehabilitate, and protect the Market's buildings.

The PDA manages the renovation project. The City receives levy proceeds in the Pike Place Market Renovation Fund established through Ordinance 122737 and provides cash to finance the project according to the PDA's construction schedule, including issuing limited-tax general obligation bonds to meet cash flow needs. The City collects \$12.5 million per year in levy proceeds through 2013, and up to \$10.5 million in 2014.

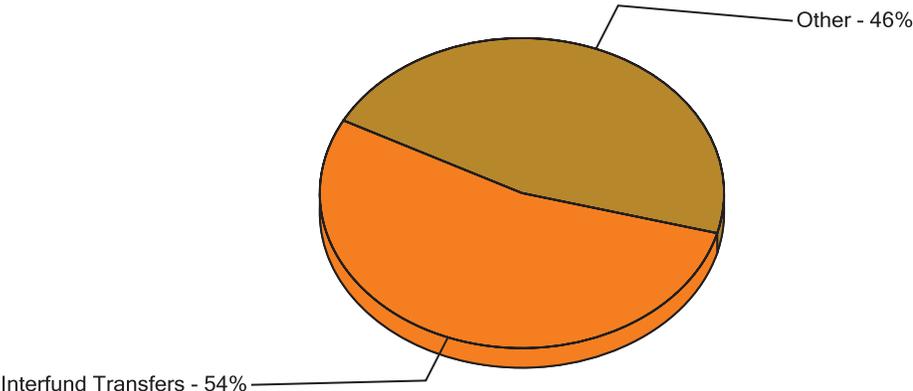
## Budget Snapshot

Department Support	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Other Funding - Operating	\$21,691,253	\$4,101,750	\$8,955,250	\$8,951,750
<b>Total Operations</b>	<b>\$21,691,253</b>	<b>\$4,101,750</b>	<b>\$8,955,250</b>	<b>\$8,951,750</b>
<b>Total Appropriations</b>	<b>\$21,691,253</b>	<b>\$4,101,750</b>	<b>\$8,955,250</b>	<b>\$8,951,750</b>
Full-time Equivalent Total*	0.00	0.00	0.00	0.00

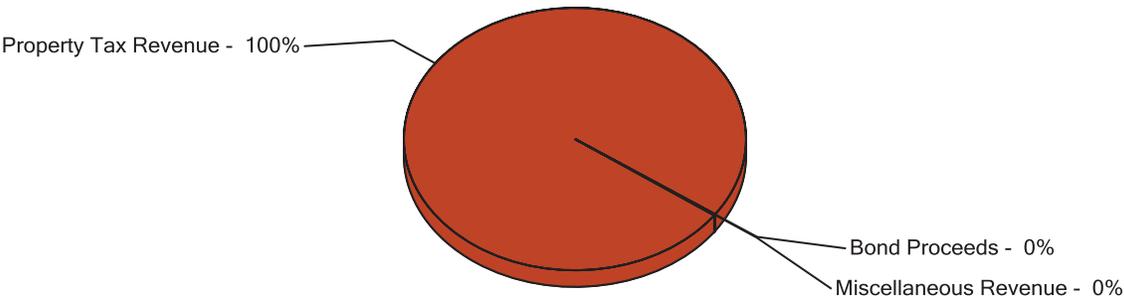
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# Pike Place Market Levy

## 2013 Proposed Budget - Expenditure by Category



## 2013 Proposed Budget - Revenue by Category



# Pike Place Market Levy

## Budget Overview

The Pike Place Market Preservation and Development Authority (PDA) has spent approximately \$65 million of the \$68.6 million of Levy funds allocated to the renovation. The project is 95% complete and is within budget and on schedule to be completed in 2014. The renovation has meant new jobs, employing an estimated 250 workers annually in a variety of trades and industries.

In total, the City issued \$25.5 million of bonds to meet the project's cash flow needs over the life of the project. Debt service on these bonds is paid from Levy proceeds that will continue to be collected through 2014. The bonds will be repaid by 2014 as they were only intended to be short-term financing for the project.

The PDA completed Phase I of the Levy renovation project, which included infrastructure upgrades to the Hillclimb, Leland, and Fairly buildings in June 2010. The PDA substantially completed construction on Phase II, which included major infrastructure repairs and seismic updates to the Corner, Sanitary, Triangle, and First and Pine buildings in July 2011. Phase III was completed in 2012, with the exception of window replacement along Western Avenue, and included renovations to the Economy, Soames Dunn, and Steward buildings.

As reflected in the Fund Table below, the Pike Place Market Levy is projected to have surplus funds at the end of the project. The Levy anticipated this possibility and directs that the funds either be provided to the Pike Place Market PDA or the returned to the voters, depending on the reason for the surplus. A final determination of the amount and the reason for the surplus and how the funds should be distributed will be made as part of the 2014 budget.

## Incremental Budget Changes

### Pike Place Market Levy

	2013		2014	
	Budget	FTE	Budget	FTE
<b>Total 2012 Adopted Budget</b>	<b>\$ 4,101,750</b>	<b>0.00</b>	<b>\$ 4,101,750</b>	<b>0.00</b>
<b>Proposed Policy Changes</b>				
Debt Service Payments	\$ 4,853,500	0.00	\$ 4,850,000	0.00
<b>Total Incremental Changes</b>	<b>\$ 4,853,500</b>	<b>0.00</b>	<b>\$ 4,850,000</b>	<b>0.00</b>
<b>2013 - 2014 Proposed Budget</b>	<b>\$ 8,955,250</b>	<b>0.00</b>	<b>\$ 8,951,750</b>	<b>0.00</b>

## Description of Incremental Budget Changes

### Proposed Policy Changes

#### **Debt Service Payments - \$4,853,500**

This item increases the appropriation to cover the increased debt service costs in 2013 and 2014.

## Pike Place Market Levy

### Expenditure Overview

Appropriations	Summit Code	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
<b>Pike Place Market Renovation Budget Control</b>					
Bond Proceeds		10,698,513	0	0	0
Levy Proceeds		7,092,318	0	0	0
<b>Total</b>	<b>PKLVYBC L-01</b>	<b>17,790,831</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Pike Place Market Renovation Debt Service Budget Control Level</b>	<b>PKLVYBC L-02</b>	<b>3,900,422</b>	<b>4,101,750</b>	<b>8,955,250</b>	<b>8,951,750</b>
<b>Department Total</b>		<b>21,691,253</b>	<b>4,101,750</b>	<b>8,955,250</b>	<b>8,951,750</b>
<b>Department Full-time Equivalents Total*</b>		<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

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

### Revenue Overview

#### 2013 Estimated Revenues

Summit Code	Source	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
587355	Pike Place Market Renovation Bond Funds	10,687,302	0	0	0
	<b>Total Bond Proceeds</b>	<b>10,687,302</b>	<b>0</b>	<b>0</b>	<b>0</b>
461110	Inv Earnings - Residual Cash	10,422	-24,000	-19,000	30,000
461320	Unreald Gns/Losses-Inv GASB 31	0	0	0	0
	<b>Total Miscellaneous Revenue</b>	<b>10,422</b>	<b>-24,000</b>	<b>-19,000</b>	<b>30,000</b>
411100	Real & Personal Property Taxes	12,433,529	12,500,000	12,500,000	10,500,000
	<b>Total Property Tax Revenue</b>	<b>12,433,529</b>	<b>12,500,000</b>	<b>12,500,000</b>	<b>10,500,000</b>
	<b>Total Revenues</b>	<b>23,131,253</b>	<b>12,476,000</b>	<b>12,481,000</b>	<b>10,530,000</b>
379100	Use of (Contribution To) Fund Balance	-1,440,001	-8,374,250	-3,525,750	-1,578,250
	<b>Total Use of (Contribution to) Fund Balance</b>	<b>-1,440,001</b>	<b>-8,374,250</b>	<b>-3,525,750</b>	<b>-1,578,250</b>
	<b>Total Resources</b>	<b>21,691,252</b>	<b>4,101,750</b>	<b>8,955,250</b>	<b>8,951,750</b>

# Pike Place Market Levy

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

### Pike Place Market Renovation Budget Control Level

The purpose of the Pike Place Market Renovation Budget Control Level is to provide appropriation authority for the City's disbursement of funds to the Pike Place Market Preservation and Development Authority (PDA) in compliance with the "Agreement regarding Levy Proceeds by and between the City of Seattle and the Pike Place Market Preservation and Development Authority" related to renovation and improvements to the Pike Place Market.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Bond Proceeds	10,698,513	0	0	0
Levy Proceeds	7,092,318	0	0	0
<b>Total</b>	<b>17,790,831</b>	<b>0</b>	<b>0</b>	<b>0</b>

*The following information summarizes the programs in Pike Place Market Renovation Budget Control Level:*

#### **Bond Proceeds Program**

The purpose of the Bond Proceeds Program is to allow spending of bond proceeds and bond interest earnings to be tracked separately from spending of other revenues in the Pike Place Market Renovation Fund.

<b>Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Bond Proceeds	10,698,513	0	0	0

#### **Levy Proceeds Program**

The purpose of the Levy Proceeds Program is to allow spending of levy proceeds and levy interest earnings to be tracked separately from bond proceeds in the Pike Place Market Renovation Fund.

<b>Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Levy Proceeds	7,092,318	0	0	0

### Pike Place Market Renovation Debt Service Budget Control Level

The purpose of the Pike Place Market Renovation Debt Service Budget Control Level is to provide appropriation authority for the City's payment of debt service for debt issued in support of the Pike Place Market Renovation funded by levy proceeds.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Pike Place Market Renovation Debt Service Program	3,900,422	4,101,750	8,955,250	8,951,750
<b>Total</b>	<b>3,900,422</b>	<b>4,101,750</b>	<b>8,955,250</b>	<b>8,951,750</b>

## Pike Place Market Levy

### Pike Place Market Levy Fund Table

#### Pike Place Levy (11010)

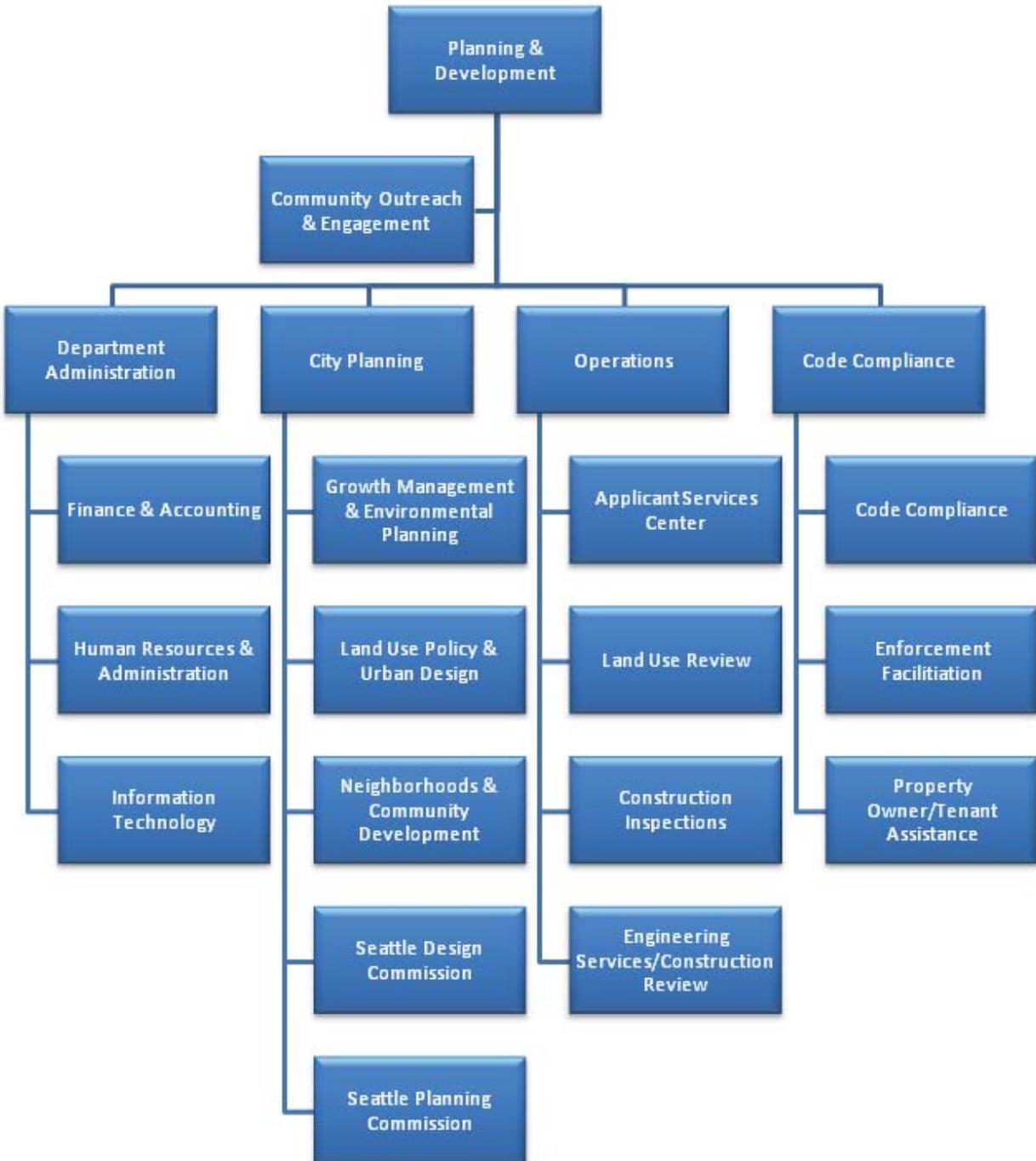
	2011 Actuals	2012 Adopted	2012 Revised	2013 Proposed	2014 Proposed
<b>Beginning Fund Balance</b>	-2,013,339	500,746	-575,026	426,291	3,952,041
Accounting & Tech Adjustments	-1,687	0	0	0	0
Plus: Actual and Estimated Revenues	23,131,253	12,476,000	12,476,000	12,481,000	10,530,000
Less: Actual and Budgeted Expenditures	21,691,253	4,101,750	11,474,683	8,955,250	8,951,750
<b>Ending Fund Balance</b>	-575,026	8,874,996	426,291	3,952,041	5,530,291
Reserve for Pike Place Market Renovations		8,874,996	4,000,000	2,000,000	2,000,000
<b>Total Reserves</b>		8,874,996	4,000,000	2,000,000	2,000,000
<b>Ending Unreserved Fund Balance</b>	-575,026	0	-3,573,709	1,952,041	3,530,291

# Department of Planning and Development

Diane Sugimura, Director

Department Information Line: (206) 684-8600

On the Web at: <http://www.seattle.gov/dpd/>



# Department of Planning and Development

## Department Overview

The Department of Planning and Development (DPD) is responsible for both regulatory and long-range planning functions related to building and land use activities in the City of Seattle. On the regulatory side, DPD is responsible for developing policies and codes related to public safety, environmental protection, land use, construction, and rental housing, including:

- Environmentally Critical Areas Ordinance (ECA);
- Housing and Building Maintenance Code;
- Just Cause Eviction Ordinance;
- Seattle Building and Residential Codes;
- Seattle Condominium and Cooperative Conversion Ordinances;
- Seattle Electrical Code;
- Seattle Energy Code;
- Seattle Grading Code;
- Seattle Land Use Code;
- Seattle Mechanical Code;
- Seattle Noise Ordinance;
- Seattle Shoreline Master Program;
- Seattle Tenant Relocation Assistance Ordinance;
- Seattle Tree Protection Ordinance;
- State Environmental Policy Act (SEPA); and
- Stormwater Code.

DPD reviews land use and construction-related permits, annually approving more than 29,000 permits and performing approximately 106,000 on-site inspections. The work includes public notice and involvement for Master Use Permits (MUPs); shoreline review; design review; approval of permits for construction, mechanical systems, site development, elevators, electrical installation, boilers, furnaces, refrigeration, signs and billboards; annual inspections of boilers and elevators; and home seismic retrofits.

DPD enforces compliance with community standards for housing, zoning, shorelines, tenant relocation assistance, just cause eviction, vacant buildings, noise, and development-related violation complaints, responding to nearly 8,000 complaints annually.

Long-range physical planning functions are also included in DPD's mission. These planning functions include monitoring and updating the City's Comprehensive Plan, evaluating regional growth management policy, updating the City's Land Use Code, developing sub-area and functional plans, implementing the Comprehensive Plan and neighborhood plans, fostering urban design excellence throughout the City and particularly in Seattle's public spaces, and staffing the Planning and Design Commissions.

DPD services are funded by a variety of fees and from General Subfund resources. DPD must demonstrate that its fees are set to recover no more than the cost of related services. To provide this accountability, DPD uses cost accounting to measure the full cost of its programs. Each program is allocated a share of departmental administration and other overhead costs to report the full cost and calculate the revenue requirements of the program.

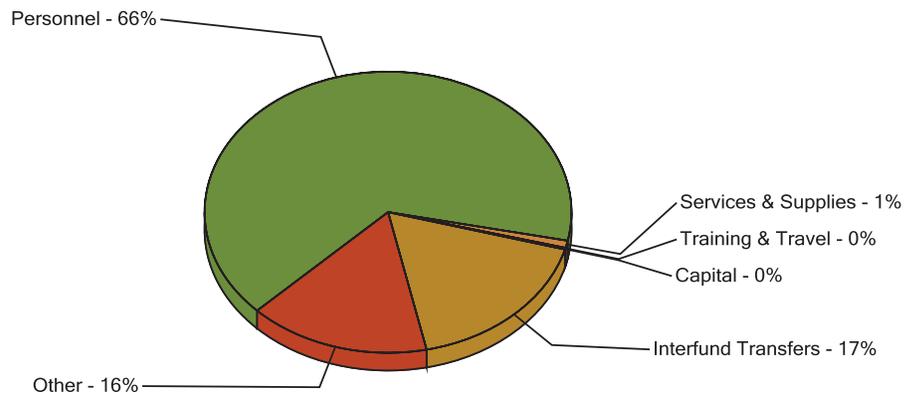
## Department of Planning and Development

### Budget Snapshot

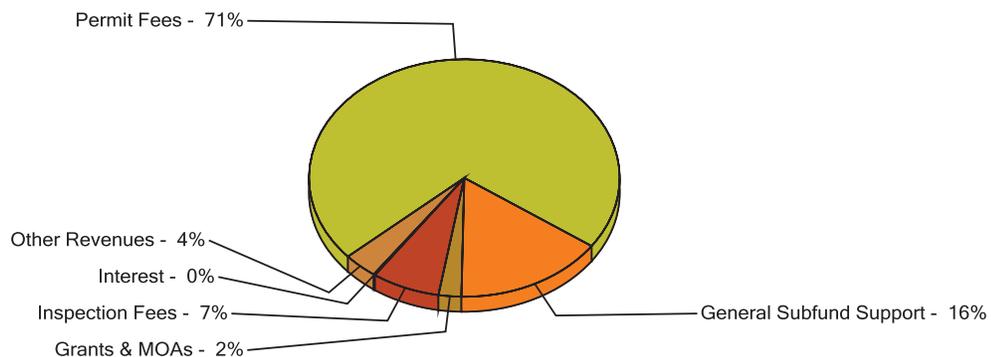
Department Support	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
General Fund Support	\$8,880,445	\$9,195,693	\$9,248,550	\$9,546,756
Other Funding - Operating	\$35,624,138	\$41,897,230	\$46,089,702	\$46,798,545
<b>Total Operations</b>	<b>\$44,504,583</b>	<b>\$51,092,923</b>	<b>\$55,338,252</b>	<b>\$56,345,301</b>
<b>Total Appropriations</b>	<b>\$44,504,583</b>	<b>\$51,092,923</b>	<b>\$55,338,252</b>	<b>\$56,345,301</b>
Full-time Equivalent Total*	397.75	393.25	392.75	392.75

\* 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.

### 2013 Proposed Budget - Expenditure by Category



### 2013 Proposed Budget - Revenue by Category



# Department of Planning and Development

## Budget Overview

The Department of Planning and Development (DPD) is supported by a combination of construction and compliance related fees and General Fund resources. Over the past several years, as a result of significantly reduced construction-related activity and other General Fund pressures, DPD has experienced a reduction in revenues in both categories. As a result, DPD has implemented significant budget reductions to bring expenses in line with revenues. However, due to the recovery of the regional economy and rate of building development growth, the Proposed Budget reflects an increase in building permit revenues to reflect the uptick in permit-related activities, as described further below.

In developing the 2013-2014 Proposed Budget, DPD reviewed all General Fund supported program areas and strategically realigned several functions to implement internal efficiencies with the goal of preserving direct services. The 2013-2014 Proposed Budget eliminates a vacant Rental Housing Inspector Position that is not anticipated to be needed in 2013, and achieves savings through technical adjustments such as reallocating staff to permit funded work based on an assessment of their future workload distribution. DPD's 2013-2014 Proposed Budget maintains funding for the Department to continue to meet its regulatory responsibilities, and continues to fund specific planning-related work established in the Planning Division's work plan.

### Revenue Recovery

The regional economy is slowly but steadily recovering from the Great Recession, and the rate of building development growth in the Puget Sound region is significantly stronger than the national rate. An especially bright spot locally is in the apartment market. Apartment vacancy rates have fallen and rents are beginning to rise, spurring construction for increasingly large apartment building projects. For DPD, this growth translates into increased building permit revenues.

While still below historical peak levels, construction permit revenues are projected to continue to grow in 2013 and 2014. In 2009, permit revenues reached a low point with building permit revenues totaling \$12.7 million, down from a peak of \$29.2 million in 2007. Since then, revenues have been increasing, with building revenues growing by 18% to \$15.1 million in 2010, by 20% to \$18.1 million in 2011, and are expected to grow an additional 20% to \$21.8 million in 2012. As a result of this increase in revenues, the 2013-2014 Proposed Budget restores funding for 16 previously unfunded permit revenue-backed positions to help meet demand. The 2013-2014 Proposed Budget is developed in accordance with DPD's forecast of 2013 revenues and will be adjusted if needed during 2013.

### Strategic Use of Resources

The 2013-2014 Proposed Budget reflects DPD's continued effort to prioritize direct and front-line services. By reallocating resources to fee backed functions with greater demand, reducing non-labor expenditures, and prioritizing work plans, the Department is able to maintain, and in some cases restore to previous levels, staffing and funding for essential services.

Prior year staff reductions reduced DPD's capacity to provide optimal service delivery to applicants, other customers, and the general public. Examples of the impact on service levels have included longer waits for intake appointments, delays in processing applications, and longer plan and permit review times. At the same time, DPD has been able to find ways to improve the efficiency of customers submitting permit applications. The continued expansion of the electronic plan review pilot, with more than 15% of building permit applications performed electronically in the first seven months of 2012, has meant that intake appointments for electronic applicants are now consistently available within a week or two. It has also resulted in fewer customer trips to DPD and savings in paper usage. DPD expects to have this service available to nearly all customers early in 2013.

The DPD budget continues to reflect the City's priority to maintain a safe and livable community. Code Compliance resources for 2013 are maintained at current levels to maintain the ability to respond to complaints in the community about substandard housing conditions, unsafe structures and properties, and use violations. The Department continues working with Council to refine the Rental Housing Registration and

## Department of Planning and Development

Inspection program to help ensure decent housing for all. The outreach and education program will begin in 2013, with the registration in 2014 and inspections beginning in 2015. This program is anticipated to be self-sustaining once it is up and running, and as a result it is possible to eliminate the General Fund supported position that was added to support this program in 2011 as part of the 2013-2014 Proposed Budget as described above.

DPD's Planning work plan, which is developed following discussions with the Mayor, City Council and the Planning Commission, responds to City priorities including community engagement and capacity building, and outreach to traditionally hard to reach communities. Neighborhood Plan implementation activities in Broadview/Bitter Lake/Haller Lake and Rainier Beach will continue in 2013 at a steady level of funding compared to 2012, and the City will begin new efforts in the Central District, North Rainier and Little Saigon. New work includes developing legislation to continue to promote and encourage the development of buildings that reach the highest level of environmental sustainability by improving the City's Living Building and Seattle Deep Green Pilot Programs. Another new effort includes completing the Main Street Mapping program to evaluate approximately 60 neighborhood commercial areas to determine if they are appropriate for a Pedestrian District designation. This will help complete the Regulatory Reform package of code amendments adopted in July 2012 intended to encourage code flexibility, reduce overlapping regulations and spur economic recovery.

### Incremental Budget Changes

#### Department of Planning and Development

	2013 Budget	FTE	2014 Budget	FTE
<b>Total 2012 Adopted Budget</b>	<b>\$ 51,092,923</b>	<b>393.25</b>	<b>\$ 51,092,923</b>	<b>393.25</b>
<b>Baseline Changes</b>				
Baseline Technical Adjustments	\$ 511,351	0.00	\$ 540,108	0.00
Citywide Adjustments for Standard Cost Changes	\$ 1,958,784	0.00	\$ 3,591,883	0.00
<b>Proposed Policy Changes</b>				
Eliminate Funding for Rental Housing Inspector Position	-\$ 51,358	-0.50	-\$ 53,009	-0.50
Restore Funding for Permit Revenue Backed Positions	\$ 1,723,936	0.00	\$ 1,781,178	0.00
<b>Proposed Technical Changes</b>				
Final Citywide Adjustments for Standard Cost Changes	-\$ 704,594	0.00	-\$ 898,992	0.00
Overhead Savings from Reallocating Staff and Reducing Non-Labor Costs	-\$ 110,998	0.00	-\$ 110,998	0.00
Use of Fund Balance To Support Technology Improvements	\$ 930,000	0.00	\$ 414,000	0.00
Technical Adjustments	-\$ 11,792	0.00	-\$ 11,792	0.00
<b>Total Incremental Changes</b>	<b>\$ 4,245,329</b>	<b>-0.50</b>	<b>\$ 5,252,378</b>	<b>-0.50</b>
<b>2013 - 2014 Proposed Budget</b>	<b>\$ 55,338,252</b>	<b>392.75</b>	<b>\$ 56,345,301</b>	<b>392.75</b>

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## Description of Incremental Budget Changes

### Baseline Changes

#### **Baseline Technical Adjustments - \$511,351**

The baseline budget includes a series of adjustments to bring the 2013-2014 Proposed Budget into alignment with the cost of providing current levels of service. Maintaining a budget that accurately reflects the cost of providing services is essential for a department like DPD that uses cost recovery as a basis for rate-setting.

#### **Citywide Adjustments for Standard Cost Changes - \$1,958,784**

Citywide technical adjustments made in the "Baseline Phase" reflect changes due to inflation, central cost allocations, retirement, health care, workers' compensation, and employment costs. These adjustments reflect initial assumptions about these costs and inflators early in the budget process.

### Proposed Policy Changes

#### **Eliminate Funding for Rental Housing Inspector Position - (\$51,358)/(.50) FTE**

This change eliminates a vacant part-time Housing/Zoning Inspector position, which was originally established in the 2011 Adopted Budget. The outreach and education program will begin in 2013, with the registration in 2014 and inspections beginning in 2015. This program will be staffed using existing resources in 2013 and is anticipated to be self-sustaining once the program is fully implemented.

#### **Restore Funding for Permit Revenue Backed Positions - \$1,723,936**

This change adds budget authority to DPD's Operations Division to fund 16 previously unfunded positions that remain in DPD's budget. The positions were unfunded during the downturn in the local construction market. Restoring these positions provides DPD with capacity to meet increasing permit volumes that are anticipated over the next two years. The new positions will be funded by permit revenues. As a result of this increase in permit-supported staffing, overhead is re-allocated within the Department, resulting in savings to the General Fund in 2013-2014.

### Proposed Technical Changes

#### **Final Citywide Adjustments for Standard Cost Changes - (\$704,594)**

Citywide technical adjustments made in the "Baseline Phase" reflect changes due to inflation, central cost allocations, retirement, health care, workers' compensation, and employment costs. These adjustments reflect initial assumptions about these costs and inflators early in the budget process.

#### **Overhead Savings from Reallocating Staff and Reducing Non-Labor Costs - (\$110,998)**

This change adjusts DPD's budget to revise staff allocations in the Operations Management and Code Compliance programs based on an assessment of 2013 and 2014 workload distribution. The technical changes also include savings from reducing IT consulting services and eliminating off-site storage of surplus furniture and equipment.

#### **Use of Fund Balance To Support Technology Improvements - \$930,000**

This change gives DPD appropriation authority to use DPD's Process Improvement & Technology (PI&T) fund balance to support technology improvements in 2013. The improvements include upgrading the Electronic Document Management System (EDMS), developing the Land Use Information System (LUIS) database, full-scale implementation of the Electronic Plan Review pilot program, and replacing the current Hansen permitting system, which cannot currently support the department's increasing needs and demands.

#### **Technical Adjustments - (\$11,792)**

Technical adjustments include departmental and Citywide non-programmatic adjustments that do not change DPD's service delivery and have no budget impact.

# Department of Planning and Development

## Expenditure Overview

Appropriations	Summit Code	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
<b>Annual Certification and Inspection Budget Control</b>					
Annual Certification and Inspection		4,149,788	3,979,908	4,030,331	4,159,482
<b>Total</b>	<b>U24A0</b>	<b>4,149,788</b>	<b>3,979,908</b>	<b>4,030,331</b>	<b>4,159,482</b>
<b>Code Compliance Budget Control</b>					
Code Compliance		4,255,598	4,796,444	4,701,151	4,849,027
<b>Total</b>	<b>U2400</b>	<b>4,255,598</b>	<b>4,796,444</b>	<b>4,701,151</b>	<b>4,849,027</b>
<b>Construction Inspections Budget Control</b>					
Building Inspections		4,125,101	4,352,118	4,638,324	4,783,631
Construction Inspections Unallocated CBA		0	2,220,000	2,220,000	2,220,000
Electrical Inspections		4,489,985	4,339,585	4,268,670	4,404,142
Signs and Billboards		372,040	226,203	302,646	313,050
Site Review and Inspection		2,374,859	2,612,419	2,737,609	2,826,336
<b>Total</b>	<b>U23A0</b>	<b>11,361,986</b>	<b>13,750,326</b>	<b>14,167,249</b>	<b>14,547,159</b>
<b>Construction Permit Services Budget Control</b>					
Applicant Services Center		7,158,677	7,414,021	8,909,148	9,192,385
Construction Permit Services Overhead Allocations		0	-869,921	-942,473	-971,869
Construction Permit Services Unallocated CBA		0	3,900,000	3,900,000	3,900,000
Construction Plans Administration		5,136,141	4,966,249	5,361,296	5,531,019
Operations Division Management		0	869,920	942,473	971,869
Public Resource Center		1,316,305	1,264,229	1,266,016	1,305,288
<b>Total</b>	<b>U2300</b>	<b>13,611,123</b>	<b>17,544,498</b>	<b>19,436,460</b>	<b>19,928,692</b>
<b>Department Leadership Budget Control</b>					
Community Relations		0	507,566	517,970	534,230
Department Leadership Overhead Allocations		0	-12,047,008	-11,966,701	-12,344,903
Director's Office		0	665,843	687,919	710,060
Finance and Accounting Services		0	5,850,526	5,636,798	5,888,190
Human Resources		0	320,196	308,584	318,522
Information Technology Services		0	4,702,877	4,815,430	4,893,901
<b>Total</b>	<b>U2500</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Land Use Services Budget Control</b>					
Land Use Services		3,493,298	3,757,844	4,212,357	4,351,923
Land Use Services Unallocated CBA		0	500,000	500,000	500,000
<b>Total</b>	<b>U2200</b>	<b>3,493,298</b>	<b>4,257,844</b>	<b>4,712,357</b>	<b>4,851,923</b>

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Appropriations	Summit Code	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
<b>Planning Budget Control</b>					
Design Commission		303,683	319,574	319,318	329,159
Planning Commission		575,377	545,211	544,606	562,140
Planning Services		6,362,456	4,599,547	4,866,118	5,022,709
<b>Total</b>	<b>U2900</b>	<b>7,241,515</b>	<b>5,464,331</b>	<b>5,730,042</b>	<b>5,914,008</b>
<b>Process Improvements and Technology Budget Control Level</b>	<b>U2800</b>	<b>391,274</b>	<b>1,299,573</b>	<b>2,560,663</b>	<b>2,095,010</b>
<b>Department Total</b>		<b>44,504,583</b>	<b>51,092,923</b>	<b>55,338,252</b>	<b>56,345,301</b>
<b>Department Full-time Equivalent Total*</b>		<b>397.75</b>	<b>393.25</b>	<b>392.75</b>	<b>392.75</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.*

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### Revenue Overview

#### 2013 Estimated Revenues

Summit Code	Source	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
587001	General Subfund Support	8,880,445	9,195,693	9,248,550	9,546,756
	<b>Total General Subfund Support</b>	<b>8,880,445</b>	<b>9,195,693</b>	<b>9,248,550</b>	<b>9,546,756</b>
437010	Grant Revenues	929,800	411,845	288,209	295,519
587900	Green Building Team - SPU & SCL	593,957	0	0	0
587900	SPU MOA for Side Sewer & Drainage	1,081,494	1,137,262	1,125,078	1,158,830
	<b>Total Grants &amp; MOAs</b>	<b>2,605,251</b>	<b>1,549,107</b>	<b>1,413,287</b>	<b>1,454,349</b>
422150	Boiler	1,139,738	1,285,073	1,248,419	1,260,903
422160	Elevator	2,572,015	2,768,776	2,965,005	2,994,655
	<b>Total Inspection Fees</b>	<b>3,711,753</b>	<b>4,053,849</b>	<b>4,213,424</b>	<b>4,255,558</b>
461110	Interest	104,572	50,000	100,000	100,000
	<b>Total Interest</b>	<b>104,572</b>	<b>50,000</b>	<b>100,000</b>	<b>100,000</b>
469990	Other Revenues	1,405,215	1,300,437	1,578,525	1,594,310
587116	Cumulative Reserve Fund-REET I - Design Commission	381,640	302,640	311,719	321,071
587116	Cumulative Reserve Fund-REET I - TRAO	85,133	154,500	152,850	157,436
587116	Cumulative Reserve Fund-Unrestricted - TRAO	33,148	76,397	73,474	75,678
	<b>Total Other Revenues</b>	<b>1,905,136</b>	<b>1,833,974</b>	<b>2,116,568</b>	<b>2,148,495</b>
422111	Building Development	19,922,522	18,715,753	23,892,076	24,139,237
422115	Land Use	3,598,973	3,655,973	4,706,762	4,753,829
422130	Electrical	4,483,578	4,693,853	5,622,317	5,678,540
443694	Site Review & Development	1,389,533	1,376,954	1,464,188	1,478,829
469990	Contingent Revenues - Unaccessed	0	6,620,000	6,620,000	6,620,000
	<b>Total Permit Fees</b>	<b>29,394,606</b>	<b>35,062,533</b>	<b>42,305,343</b>	<b>42,670,435</b>
	<b>Total Revenues</b>	<b>46,601,763</b>	<b>51,745,156</b>	<b>59,397,172</b>	<b>60,175,593</b>
379100	Use of (Contribution To) Fund Balance	-2,097,180	-652,234	-4,058,920	-3,830,292
	<b>Total Use of Fund Balance</b>	<b>-2,097,180</b>	<b>-652,234</b>	<b>-4,058,920</b>	<b>-3,830,292</b>
	<b>Total Resources</b>	<b>44,504,583</b>	<b>51,092,922</b>	<b>55,338,252</b>	<b>56,345,301</b>

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# Department of Planning and Development

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

### Annual Certification and Inspection Budget Control Level

The purpose of the Annual Certification and Inspection Budget Control Level is to provide inspections of mechanical equipment at installation and on an annual or biennial cycle in a fair, reasonable, efficient, and predictable manner. These services are provided so mechanical equipment is substantially maintained to applicable codes, legal requirements and policies, and operated safely. The program also certifies that installers and mechanics are qualified, by validation of work experience and testing of code knowledge, to operate and maintain mechanical equipment. In addition, this budget control level includes a proportionate share of associated departmental administration and other overhead costs.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Annual Certification and Inspection	4,149,788	3,979,908	4,030,331	4,159,482
<b>Total</b>	<b>4,149,788</b>	<b>3,979,908</b>	<b>4,030,331</b>	<b>4,159,482</b>
Full-time Equivalents Total*	23.49	23.49	23.49	23.49

*\* 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 Annual Certification and Inspection Budget Control Level:**

### **Annual Certification and Inspection Program**

The purpose of the Annual Certification and Inspection Program is to provide inspections of mechanical equipment at installation and on an annual or biennial cycle in a fair, reasonable, efficient, and predictable manner. These services are provided so mechanical equipment is substantially maintained to applicable codes, legal requirements, and policies, and operated safely. The program also certifies that installers and mechanics are qualified, by validation of work experience and testing of code knowledge, to operate and maintain mechanical equipment.

<b>Expenditures/FTE</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Annual Certification and Inspection	4,149,788	3,979,908	4,030,331	4,159,482
Full-time Equivalents Total	23.49	23.49	23.49	23.49

### Code Compliance Budget Control Level

The purpose of the Code Compliance Budget Control Level is to see that properties and buildings are used and maintained in conformance with code standards, and deterioration of structures and properties is reduced. Additionally, this budget control level includes the allocation of a proportionate share of departmental administration and other overhead costs.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Code Compliance	4,255,598	4,796,444	4,701,151	4,849,027
<b>Total</b>	<b>4,255,598</b>	<b>4,796,444</b>	<b>4,701,151</b>	<b>4,849,027</b>
Full-time Equivalents Total*	28.79	28.79	28.29	28.29

*\* 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 Code Compliance Budget Control Level:*

### Code Compliance Program

The purpose of the Code Compliance Program level is to apply code standards in response to reported violations about the use, maintenance, 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 so that Seattle's housing stock lasts longer, and manage the adoption of administrative rules, public disclosure of documents, and response to claims.

Expenditures/FTE	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Code Compliance	4,255,598	4,796,444	4,701,151	4,849,027
Full-time Equivalents Total	28.79	28.79	28.29	28.29

### Construction Inspections Budget Control Level

The purpose of the Construction Inspections Budget Control Level is to provide timely on-site inspections of property under development to support substantial compliance with applicable City codes, ordinances, and approved plans. Additionally, this budget control level includes the allocation of a proportionate share of departmental administration and other overhead costs.

Program Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Building Inspections	4,125,101	4,352,118	4,638,324	4,783,631
Construction Inspections Unallocated CBA	0	2,220,000	2,220,000	2,220,000
Electrical Inspections	4,489,985	4,339,585	4,268,670	4,404,142
Signs and Billboards	372,040	226,203	302,646	313,050
Site Review and Inspection	2,374,859	2,612,419	2,737,609	2,826,336
<b>Total</b>	<b>11,361,986</b>	<b>13,750,326</b>	<b>14,167,249</b>	<b>14,547,159</b>
Full-time Equivalents Total*	75.84	75.84	75.84	75.84

*\* 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 Construction Inspections Budget Control Level:*

### Building Inspections Program

The purpose of the Building Inspections Program is to provide timely on-site inspections of property under development at predetermined stages of construction; work closely with project architects, engineers, developers, contractors, and other City of Seattle departments to approve projects as substantially complying with applicable City codes, ordinances, and approved plans; and to issue final approvals for occupancy.

Expenditures/FTE	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Building Inspections	4,125,101	4,352,118	4,638,324	4,783,631
Full-time Equivalents Total	30.32	30.32	30.32	30.32

### Construction Inspections Unallocated CBA Program

The purpose of the Construction Inspections Unallocated CBA Program is to display the amount of Contingent Budget Authority (CBA) that has not been accessed within the Construction Inspections BCL for construction inspections and electrical inspections with plan review. In contrast, CBA that is accessed is appropriated in the programs in which it will be spent. More information about CBA and its planned use in this budget may be found at the conclusion of the DPD chapter.

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Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Construction Inspections Unallocated CBA	0	2,220,000	2,220,000	2,220,000

### Electrical Inspections Program

The purpose of the Electrical Inspections Program is to provide review of proposed electrical installations and on-site inspection of properties under development in a fair, reasonable, efficient, and predictable manner. These services are provided to ensure the electrical installations substantially comply with applicable codes, legal requirements, and approved plans.

Expenditures/FTE	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Electrical Inspections	4,489,985	4,339,585	4,268,670	4,404,142
Full-time Equivalents Total	26.09	26.09	26.09	26.09

### Signs and Billboards Program

The purpose of the Signs and Billboards Program is to provide review of proposed sign installations and on-site inspection of properties under development in a fair, reasonable, efficient, and predictable manner. These services are provided so that sign installations comply with applicable codes, legal requirements, and approved plans.

Expenditures/FTE	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Signs and Billboards	372,040	226,203	302,646	313,050
Full-time Equivalents Total	1.25	1.25	1.25	1.25

### Site Review and Inspection Program

The purpose of the Site Review and Inspection Program is to ensure construction projects comply with grading, drainage, side sewer, and environmentally critical area codes; City of Seattle engineering standard details; and best management practices for erosion control methods to ensure that ground-related impacts of development are mitigated on-site and that sewer and drainage installations on private property are properly installed.

Expenditures/FTE	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Site Review and Inspection	2,374,859	2,612,419	2,737,609	2,826,336
Full-time Equivalents Total	18.18	18.18	18.18	18.18

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## **Construction Permit Services Budget Control Level**

The purpose of the Construction Permit Services Budget Control Level is to facilitate the review of development plans and processing of permits so that applicants can plan, alter, construct, occupy, and maintain Seattle's buildings and property. Additionally, this budget control level includes the allocation of a proportionate share of departmental administration and other overhead costs.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Applicant Services Center	7,158,677	7,414,021	8,909,148	9,192,385
Construction Permit Services Overhead Allocations	0	-869,921	-942,473	-971,869
Construction Permit Services Unallocated CBA	0	3,900,000	3,900,000	3,900,000
Construction Plans Administration	5,136,141	4,966,249	5,361,296	5,531,019
Operations Division Management	0	869,920	942,473	971,869
Public Resource Center	1,316,305	1,264,229	1,266,016	1,305,288
<b>Total</b>	<b>13,611,123</b>	<b>17,544,498</b>	<b>19,436,460</b>	<b>19,928,692</b>
Full-time Equivalents Total*	148.91	148.91	148.91	148.91

*\* 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 Construction Permit Services Budget Control Level:**

### **Applicant Services Center Program**

The purpose of the Applicant Services Center Program is to provide early technical and process assistance to applicants during building design and permit application; screen, accept, and process all land use and construction permit applications; and review and issue simple development plans in a fair, reasonable, and consistent manner to ensure substantial compliance with applicable codes and legal requirements.

<b>Expenditures/FTE</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Applicant Services Center	7,158,677	7,414,021	8,909,148	9,192,385
Full-time Equivalents Total	77.97	77.97	77.97	77.97

### **Construction Permit Services Overhead Allocations Program**

The purpose of the Construction Permit Services Overhead Allocations Program is to represent the proportionate share of departmental administration and other overhead costs to report the full cost of the related programs.

<b>Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Construction Permit Services Overhead Allocations	0	-869,921	-942,473	-971,869

# Department of Planning and Development

## Construction Permit Services Unallocated CBA Program

The purpose of the Construction Permit Services Unallocated CBA Program is to display the amount of Contingent Budget Authority (CBA) in the Construction Permit Services BCL that has not been accessed for construction plan review and peer review contracts. In contrast, CBA that is accessed is appropriated in the programs in which it will be spent. More information about CBA and its planned use in this budget may be found at the conclusion of the DPD chapter.

Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Construction Permit Services Unallocated CBA	0	3,900,000	3,900,000	3,900,000

## Construction Plans Administration Program

The purpose of the Construction Plans Administration Program is to review development plans and documents for permit applicants in a fair, reasonable, and predictable manner; ensure that the plans substantially comply with applicable codes and legal requirements; incorporate and expand Priority Green permitting within the plan review process; develop and revise technical code regulations at the local, state, and national levels; and provide appropriate support for preparation, mitigation, response, and recovery services for disasters.

Expenditures/FTE	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Construction Plans Administration	5,136,141	4,966,249	5,361,296	5,531,019
Full-time Equivalent Total	35.07	35.07	35.07	35.07

## Operations Division Management Program

The purpose of the Operations Division Management Program is to oversee the functions of four budget control levels: Annual Certification/Inspection, Construction Permit Services, Construction Inspections, and Land Use Services.

Expenditures/FTE	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Operations Division Management	0	869,920	942,473	971,869
Full-time Equivalent Total	20.59	20.59	20.59	20.59

## Public Resource Center Program

The purpose of the Public Resource Center Program is to provide the general public and City staff convenient access to complete, accurate information about department regulations and current applications; to provide applicants with a first point of contact; and to preserve, maintain, and provide access to records for department staff and the public.

Expenditures/FTE	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Public Resource Center	1,316,305	1,264,229	1,266,016	1,305,288
Full-time Equivalent Total	15.28	15.28	15.28	15.28

## Department of Planning and Development

### Department Leadership Budget Control Level

The purpose of the Department Leadership Budget Control Level is to develop and implement business strategies to improve the performance of the organization; ensure that managers and staff have the information, tools, and training needed for managing and making decisions; set fees that reflect the cost of services; and maintain a community relations program.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Community Relations	0	507,566	517,970	534,230
Department Leadership Overhead Allocations	0	-12,047,008	-11,966,701	-12,344,903
Director's Office	0	665,843	687,919	710,060
Finance and Accounting Services	0	5,850,526	5,636,798	5,888,190
Human Resources	0	320,196	308,584	318,522
Information Technology Services	0	4,702,877	4,815,430	4,893,901
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Full-time Equivalents Total*	50.79	50.79	50.79	50.79

*\* 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 Department Leadership Budget Control Level:**

#### **Community Relations Program**

The purpose of the Community Relations Program is to provide the general public, stakeholder groups, community leaders, City staff, and news media with complete and accurate information, including informative materials and presentations, to explain DPD's responsibilities, processes, and actions; to ensure DPD's services are clearly understood by applicants and the general public; and to respond to public concerns related to the Department's responsibilities.

<b>Expenditures/FTE</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Community Relations	0	507,566	517,970	534,230
Full-time Equivalents Total	4.12	4.12	4.12	4.12

#### **Department Leadership Overhead Allocations Program**

The purpose of the Department Leadership Overhead Allocations Program is to distribute the proportionate share of departmental administration and other overhead costs that apply to the Department's other budget control levels, in order to report the full cost and calculate the revenue requirements of the related programs.

<b>Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Department Leadership Overhead Allocations	0	-12,047,008	-11,966,701	-12,344,903

#### **Director's Office Program**

The purpose of the Director's Office Program is to ensure department management develops and implements business strategies to continually improve the performance of the organization, and to ensure effective working relationships with other City personnel and agencies, the general public, and the development and planning communities.

## Department of Planning and Development

Expenditures/FTE	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Director's Office	0	665,843	687,919	710,060
Full-time Equivalents Total	5.34	5.34	5.34	5.34

### Finance and Accounting Services Program

The purpose of the Finance and Accounting Services Program is to provide financial and accounting services to department management, and develop and maintain financial systems based on program and funding study principles, so that people, tools, and resources are managed effectively with a changing workload and revenue stream.

Expenditures/FTE	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Finance and Accounting Services	0	5,850,526	5,636,798	5,888,190
Full-time Equivalents Total	16.51	16.51	16.51	16.51

### Human Resources Program

The purpose of the Human Resources Program is to ensure the work environment is safe, and that a competent, talented, and skilled workforce is recruited through a fair and open process, is compensated fairly for work performed, is well trained for jobs, is responsible and accountable for performance, and reflects and values the diversity of the community.

Expenditures/FTE	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Human Resources	0	320,196	308,584	318,522
Full-time Equivalents Total	4.14	4.14	4.14	4.14

### Information Technology Services Program

The purpose of the Information Technology Services Program is to provide information technology solutions, services, and expertise to the Department and other City staff, so that department management and staff have the technology tools and support necessary to meet business objectives.

Expenditures/FTE	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Information Technology Services	0	4,702,877	4,815,430	4,893,901
Full-time Equivalents Total	20.68	20.68	20.68	20.68

## Department of Planning and Development

### **Land Use Services Budget Control Level**

The purpose of the Land Use Services Budget Control Level is to provide land use permitting services to project applicants, City of Seattle departments, public agencies, and residents. These services are intended to allow development proposals to be reviewed in a fair, reasonable, efficient, and predictable manner, and substantially comply with applicable codes, legal requirements, policies, and community design standards. Additionally, this budget control level includes the allocation of a proportionate share of departmental administration and other overhead costs.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Land Use Services	3,493,298	3,757,844	4,212,357	4,351,923
Land Use Services Unallocated CBA	0	500,000	500,000	500,000
<b>Total</b>	<b>3,493,298</b>	<b>4,257,844</b>	<b>4,712,357</b>	<b>4,851,923</b>
Full-time Equivalents Total*	35.13	34.63	34.63	34.63

*\* 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.*

**The following information summarizes the programs in Land Use Services Budget Control Level:**

#### **Land Use Services Program**

The purpose of the Land Use Services Program is to provide land use permitting services to project applicants, City of Seattle departments, public agencies, and residents. Land Use Services staff provide permit process information and regulatory expertise to inform pre-application construction project design. Land Use Services staff also review proposed construction plans as part of a developer's permit application. Staff then facilitates the process to elicit public input on those construction projects before the permit may be granted. 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>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Land Use Services	3,493,298	3,757,844	4,212,357	4,351,923
Full-time Equivalents Total	35.13	34.63	34.63	34.63

#### **Land Use Services Unallocated CBA Program**

The purpose of the Land Use Services Unallocated CBA Program is to display the amount of Contingent Budget Authority (CBA) in the Land Use Services BCL that has not been accessed. In contrast, CBA that is accessed is appropriated in the programs in which it will be spent. More information about CBA and its planned use in this budget may be found at the conclusion of the DPD chapter.

<b>Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Land Use Services Unallocated CBA	0	500,000	500,000	500,000

# Department of Planning and Development

## Planning Budget Control Level

The purpose of the Planning Budget Control Level is to manage growth and development consistent with Seattle's Comprehensive Plan, and to inform and guide decisions for shaping and preserving Seattle so that it remains a vital urban environment. Additionally, the Planning Budget Control Level includes the allocation of a proportionate share of departmental administration and other overhead costs.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Design Commission	303,683	319,574	319,318	329,159
Planning Commission	575,377	545,211	544,606	562,140
Planning Services	6,362,456	4,599,547	4,866,118	5,022,709
<b>Total</b>	<b>7,241,515</b>	<b>5,464,331</b>	<b>5,730,042</b>	<b>5,914,008</b>
Full-time Equivalents Total*	29.38	25.38	25.38	25.38

\* 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.

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

### **Design Commission Program**

The purpose of the Design Commission is to promote civic design excellence in City projects with City funding, and projects related to public land, as well as to promote interdepartmental/interagency coordination. The Seattle Design Commission advises the Mayor, the City Council, and City departments on the design of capital improvements and other projects that shape Seattle's public realm.

<b>Expenditures/FTE</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Design Commission	303,683	319,574	319,318	329,159
Full-time Equivalents Total	1.87	1.87	1.87	1.87

### **Planning Commission Program**

The purpose of the Planning Commission is to provide informed citizen advice and assistance to the Mayor, the City Council, and City departments in developing planning policies and carrying out major planning efforts; to seek public comment and participation as a part of this process; and to steward the ongoing development and implementation of Seattle's Comprehensive Plan.

<b>Expenditures/FTE</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Planning Commission	575,377	545,211	544,606	562,140
Full-time Equivalents Total	2.62	2.62	2.62	2.62

### **Planning Services Program**

The purpose of the Planning Services Program is to develop policies, plans, and regulations that advance Seattle's Comprehensive Plan and growth management strategy. This is done through community-based planning, developing land use policy recommendations, and implementing legislation - activities that support Seattle's neighborhoods; expand job creation and housing choices; protect the environment and reduce environmental hazards; and promote design excellence and sustainability in Seattle.

<b>Expenditures/FTE</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Planning Services	6,362,456	4,599,547	4,866,118	5,022,709
Full-time Equivalents Total	24.89	20.89	20.89	20.89

## Department of Planning and Development

### Process Improvements and Technology Budget Control Level

The purpose of the Process Improvements and Technology Budget Control Level is to allow the department to plan and implement continuous improvements to its business processes, including related staff training and equipment purchases; and to see that the Department's major technology investments are maintained, upgraded, or replaced when necessary.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Process Improvements and Technology	391,274	1,299,573	2,560,663	2,095,010
<b>Total</b>	<b>391,274</b>	<b>1,299,573</b>	<b>2,560,663</b>	<b>2,095,010</b>
Full-time Equivalents Total*	5.42	5.42	5.42	5.42

\* 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.

### **Planning and Development Fund Table**

#### Planning and Development Fund (15700)

	<b>2011 Actuals</b>	<b>2012 Adopted</b>	<b>2012 Revised</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
<b>Beginning Fund Balance</b>	<b>3,384,266</b>	<b>3,869,781</b>	<b>6,909,635</b>	<b>12,894,767</b>	<b>16,953,686</b>
Accounting and Technical Adjustments	1,428,189	0	0	0	0
Plus: Actual and Estimated Revenues	46,601,763	51,745,156	51,416,055	59,397,172	60,175,593
Less: Actual and Budgeted Expenditures	44,504,583	51,092,923	45,430,923	55,338,252	56,345,301
<b>Ending Fund Balance</b>	<b>6,909,635</b>	<b>4,522,014</b>	<b>12,894,767</b>	<b>16,953,686</b>	<b>20,783,978</b>
Process Improvements and Technology	308,067	30,015	1,300,837	563,777	562,333
Core Staffing and Process Improvements	1,104,291	753,974	760,418	1,764,117	3,771,173
<b>Total Reserves</b>	<b>1,412,358</b>	<b>783,989</b>	<b>2,061,255</b>	<b>2,327,894</b>	<b>4,333,506</b>
<b>Ending Unreserved Fund Balance</b>	<b>5,497,277</b>	<b>3,738,025</b>	<b>10,833,512</b>	<b>14,625,792</b>	<b>16,450,472</b>

# Department of Planning and Development

## 2013- 2014 DPD Contingent Budget Authority

Council Resolution No. 30357 established contingent authority in the Department of Planning and Development (DPD) for budget and positions. The contingent authority is intended to allow prompt response to unanticipated changes in demand for services. When actual and estimated fee revenues exceed forecasted amounts, DPD may propose to access its contingent budget authority.

DPD's contingent budget authority is displayed fully in Budget Control Levels (BCLs) in the City's Adopted Budget. The authority is associated with various categories of work, such as Construction Plan Review, and triggered by unanticipated levels of various fee revenues, such as Building Development fees. Although all of DPD's contingent authority is displayed in the BCLs in this budget document, none is planned to be accessed in 2013. Table 1 below, provides details on total contingent budget authority. This authority will not be accessed without approval, which would be based on an analysis of revenue deviations from the budget forecast, as described in Table 2 below.

**Table 1: Total and Accessed Contingent Budget Authority, 2013 Proposed**

BCL	Contingent Authority Category	Revenue Source	2012 Adopted Authority	2012 Adopted Accessed	2013 Proposed Authority	2013 Proposed Accessed
Const Insp	Const Inspection	Bldg Dvlpmt	1,600,000	-	1,600,000	-
Const Insp	Elec Insp w/Plan Review	Electrical	620,000	-	620,000	-
Cons Permit Svcs	Cons Plan Review	Bldg Dvlpmt	2,400,000	-	2,400,000	-
Cons Permit Svcs	Peer Review Contracts	Bldg Dvlpmt	1,500,000	-	1,500,000	-
Land Use	Land Use	Land Use	500,000	-	500,000	-
<b>Total Contingent Budget Authority</b>			<b>6,620,000</b>	<b>-</b>	<b>6,620,000</b>	<b>-</b>

# Department of Planning and Development

**Table 2: Schedule of Contingent Budget Authority**

<b>Land Use</b>		
<b>Unanticipated Revenue</b>	<b>Contingent Budget</b>	<b>Contingent FTE</b>
(200,000) to (100,000)	(160,000)	-1.3
(99,999) to 99,999	–	0.0
100,000 to 199,999	160,000	1.3
200,000 to 299,999	320,000	2.6
300,000 to 399,999	480,000	4.0
400,000 to 499,999	640,000	4.0
500,000 and above	880,000	4.0

<b>Construction Plan Review</b>		
<b>Unanticipated Revenue</b>	<b>Contingent Budget</b>	<b>Contingent FTE</b>
(400,000) or less	(288,000)	-2.5
(399,999) to (200,000)	(144,000)	-1.2
(199,999) to 199,999	–	0.0
200,000 to 399,999	144,000	1.2
400,000 to 599,999	288,000	2.5
600,000 to 799,999	432,000	3.7
800,000 to 999,999	576,000	5.0
1,000,000 to 1,199,999	720,000	5.0
1,200,000 to 1,399,999	864,000	5.0
1,400,000 to 1,599,999	1,008,000	5.0
1,600,000 to 1,799,999	1,152,000	5.0
1,800,000 to 1,999,999	1,296,000	5.0
2,000,000 and above	1,565,000	5.0

<b>Construction Inspection</b>		
<b>Unanticipated Revenue</b>	<b>Contingent Budget</b>	<b>Contingent FTE</b>
(400,000) or less	(201,600)	-1.7
(399,999) to (200,000)	(100,800)	-0.1
(199,999) to 199,999	–	0.0
200,000 to 399,999	100,800	0.9
400,000 to 599,999	201,600	1.7
600,000 to 799,999	302,400	2.6
800,000 to 999,999	403,200	3.5
1,000,000 to 1,199,999	504,000	4.0
1,200,000 to 1,399,999	604,800	4.0
1,400,000 to 1,599,999	705,600	4.0
1,600,000 to 1,799,999	806,400	4.0
1,800,000 to 1,999,999	907,200	4.0
2,000,000 and above	1,096,000	4.0

<b>Electrical Inspection with Plan Review</b>		
<b>Unanticipated Revenue</b>	<b>Contingent Budget</b>	<b>Contingent FTE</b>
(100,000) or less	(50,400)	-0.4
(99,999) to 99,999	–	0.0
100,000 to 199,999	50,400	0.4
200,000 to 299,999	100,800	0.9
300,000 to 399,999	151,200	1.3
400,000 to 499,999	201,600	1.7
500,000 to 599,999	285,000	2.0
600,000 and above	405,000	3.0

<b>Peer Review Contracts</b>		
<b>Unanticipated Revenue</b>	<b>Contingent Budget</b>	<b>Contingent FTE</b>
200,000 to 499,999	500,000	0.0
500,000 to 999,999	1,000,000	0.0
1,000,000 and above	1,500,000	0.0



# **Public Safety**



# Criminal Justice Contracted Services

Catherine Cornwall, Budget Lead  
 Department Information Line: (206) 684-8725



## Department Overview

Criminal Justice Contracted Services (CJCS) provides funding for both public defense and jail services for individuals arrested, prosecuted, and/or convicted of misdemeanor criminal code violations in Seattle. The contracts for these services are managed by the City Budget Office. The City contracts with three non-profit legal agencies to provide public defense services and with several jurisdictions, including King County, to provide jail services.

By the end of 2012, there are projected to be approximately 7,900 bookings in the King County Jail for people who are charged with misdemeanor offenses or failed to appear for court hearings. This is down 5% from approximately 8,300 jail bookings in 2011. Although the number of jail bookings has decreased, the average number of people in jail is projected to increase by 7% over 2011. This increase is due to growth in the average number of days people are spending in jail on Seattle misdemeanor charges. In 2011, people booked in jail on a Seattle misdemeanor charge spent about 10 days in jail. In 2012, people are averaging about 11.5 days in jail - a 15% increase. This increase in the average number of jail days is driving a 7% increase in the jail population over 2011. In 2012, there are projected to be an average of 249 people in jail on Seattle misdemeanor charges on any given day; 190 people in the King County Jail and 59 people in the Snohomish County Jail.

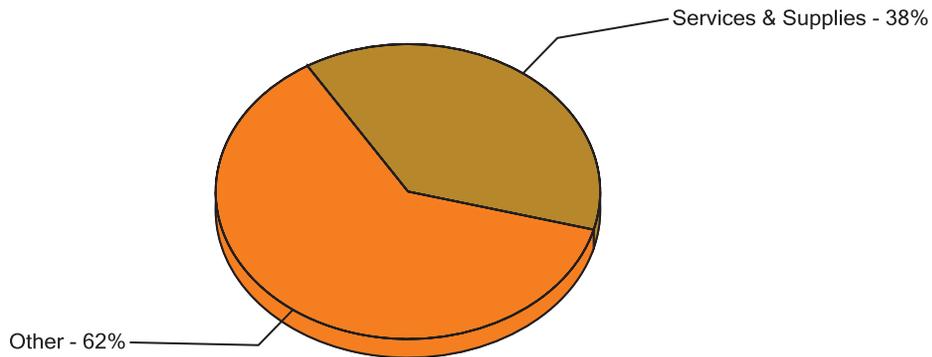
## Budget Snapshot

Department Support	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
General Fund Support	\$19,511,942	\$22,742,418	\$22,492,197	\$23,235,608
<b>Total Operations</b>	<b>\$19,511,942</b>	<b>\$22,742,418</b>	<b>\$22,492,197</b>	<b>\$23,235,608</b>
<b>Total Appropriations</b>	<b>\$19,511,942</b>	<b>\$22,742,418</b>	<b>\$22,492,197</b>	<b>\$23,235,608</b>
Full-time Equivalent Total*	0.00	0.00	0.00	0.00

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

## Criminal Justice Contracted Services

### 2013 Proposed Budget - Expenditure by Category



### Budget Overview

General Fund budget pressures in 2013 and future years require that the department of Criminal Justice Contracted Services (CJCS) make budget reductions. Spending is driven by the number of people arrested and booked into jail and also by the number of criminal cases filed by the City Attorney. Even though the number of people in jail in 2012 has increased over 2011 levels, jail population levels are still quite low compared to historical levels. The number of people held in jail on Seattle misdemeanor charges has been steadily decreasing since 1998 - there are 45% fewer people in jail in 2012 than there were in 1998. The 2013-2014 Proposed Budget assumes a decrease from the 2012 Adopted Budget in the number of people booked into jail and in the average number of people held in jail on any given day, saving the City approximately \$1,450,000.

### Incremental Budget Changes

#### Criminal Justice Contracted Services

	2013 Budget	FTE	2014 Budget	FTE
<b>Total 2012 Adopted Budget</b>	<b>\$ 22,742,418</b>	<b>0.00</b>	<b>\$ 22,742,418</b>	<b>0.00</b>
<b>Baseline Changes</b>				
Contract Rate Increase	\$ 1,199,779	0.00	\$ 1,943,190	0.00
<b>Proposed Policy Changes</b>				
Reduce Jail Services Budget	-\$ 1,450,000	0.00	-\$ 1,450,000	0.00
<b>Total Incremental Changes</b>	<b>-\$ 250,221</b>	<b>0.00</b>	<b>\$ 493,190</b>	<b>0.00</b>
<b>2013 - 2014 Proposed Budget</b>	<b>\$ 22,492,197</b>	<b>0.00</b>	<b>\$ 23,235,608</b>	<b>0.00</b>

# Criminal Justice Contracted Services

## Description of Incremental Budget Changes

### Baseline Changes

#### **Contract Rate Increase - \$1,199,779**

The budgets for both jail contracts and public defense services were increased in order to incorporate annual rate increases that will occur in 2013 and 2014.

### Proposed Policy Changes

#### **Reduce Jail Services Budget - (\$1,450,000)**

The 2012 Adopted and 2013 Baseline budgets assumed an average daily jail population (ADP) of 284 (with an assumption of 229 ADP at King County). The 2013-2014 Proposed Budget is based on the 5 year average ADP of 263 (with an ADP of 204 at King County). Jail bookings are also decreased slightly to reflect the 5 year average. These changes result in a \$1.5 million decrease in the jail services budget.

## Expenditure Overview

Appropriations	Summit Code	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Indigent Defense Services Budget Control Level	VJ500	5,551,247	6,169,790	6,383,246	6,533,471
Jail Services Budget Control Level	VJ100	13,960,695	16,572,628	16,108,951	16,702,137
<b>Department Total</b>		<b>19,511,942</b>	<b>22,742,418</b>	<b>22,492,197</b>	<b>23,235,608</b>
<b>Department Full-time Equivalents Total*</b>		<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

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

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

### Indigent Defense Services Budget Control Level

The purpose of the Indigent Defense Services Budget Control Level is to secure legal defense services, as required by State law, for indigent people facing criminal charges in Seattle Municipal Court.

Program Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Indigent Defense Services	5,551,247	6,169,790	6,383,246	6,533,471
<b>Total</b>	<b>5,551,247</b>	<b>6,169,790</b>	<b>6,383,246</b>	<b>6,533,471</b>

## Criminal Justice Contracted Services

### Jail Services Budget Control Level

The purpose of the Jail Services Budget Control Level is to provide for the booking, housing, transporting, and guarding of City inmates. The jail population, for which the City pays, are adults charged with or convicted of misdemeanor crimes alleged to have been committed within the Seattle city limits.

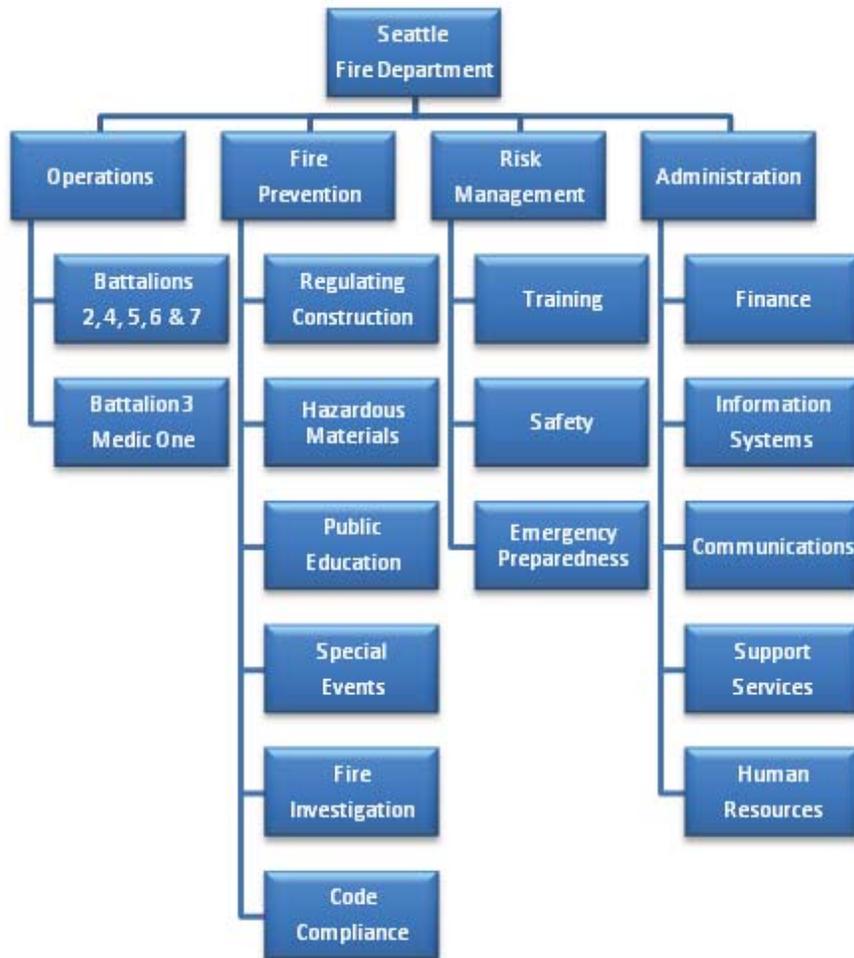
<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Jail Services	13,960,695	16,572,628	16,108,951	16,702,137
<b>Total</b>	<b>13,960,695</b>	<b>16,572,628</b>	<b>16,108,951</b>	<b>16,702,137</b>

# Seattle Fire Department

Gregory M. Dean, Chief

Department Information Line: (206) 386-1400

On the Web at: <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.

Statistics from SFD show a strong record on prevention of fires and property loss from fires. For the past five years, both total fires and dollar loss have been steadily decreasing. In 2007, there were 337 fires in Seattle with a

## Seattle Fire Department

dollar loss of over \$18 million. In 2011, there were 260 fires with a dollar loss of \$11.5 million. This represents a 23% reduction in fires and 36% reduction in dollar loss. Seattle has fewer fires than the national average and other cities with similar population levels. Dollar loss and civilian deaths are also below the national, regional, and similar-size community averages. Cities with populations ranging from a half a million to a million average 3.7 fires annually per 1,000 residents. Seattle has averaged over the last five years 0.5 fires annually per 1,000 residents.

SFD also provides emergency medical responses, which account for approximately 80% of all fire emergency calls in the City of 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 with two firefighter/paramedics trained to provide more advanced medical care, or advanced life support. Additionally, the Department has four Aid Cars staffed by firefighters to provide citywide emergency medical response coverage.

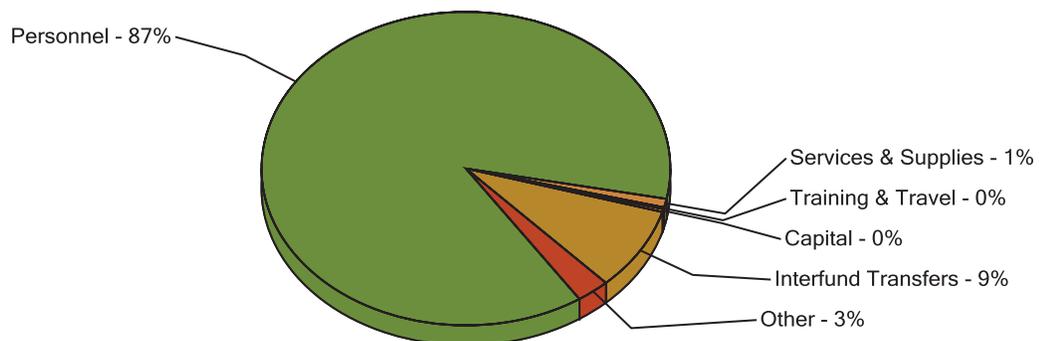
The Department also has hazardous materials, marine, high-angle, and confined-space rescue teams. In addition, SFD officers and firefighters are members of several local and national disaster response teams: FEMA's Urban Search and Rescue Task Force, Metropolitan Medical Response System, and wild land firefighting. SFD's fire prevention efforts include Fire Code enforcement, building inspections, plan reviews of fire and life safety systems, public education and fire safety programs, regulation of hazardous materials storage and processes, and regulation of places of public assembly and public events to ensure life safety.

### Budget Snapshot

Department Support	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
General Fund Support	\$163,552,694	\$160,957,439	\$166,290,067	\$173,683,615
<b>Total Operations</b>	<b>\$163,552,694</b>	<b>\$160,957,439</b>	<b>\$166,290,067</b>	<b>\$173,683,615</b>
<b>Total Appropriations</b>	<b>\$163,552,694</b>	<b>\$160,957,439</b>	<b>\$166,290,067</b>	<b>\$173,683,615</b>
Full-time Equivalent Total*	1,151.55	1,152.55	1,150.55	1,150.55

\* 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.

### 2013 Proposed Budget - Expenditure by Category



# Seattle Fire Department

## Budget Overview

The Seattle Fire Department's (SFD) 2013-2014 Proposed Budget reflects the Mayor's commitment to maintaining public safety. Through careful financial management and reductions that allow for a reprioritization of resources, the Fire Department, which provides critical public safety services, has largely been shielded from cuts. In the 2013-2014 Proposed Budget, the Fire Department makes additional efficiency reductions, but continues to avoid operational reductions to neighborhood fire stations. This is in contrast to a large number of other major U.S. cities which have had to make significant reductions to their fire department staffing levels and resource deployments. The City's commitment to prioritizing front-line services has allowed the Seattle Fire Department to maintain established service levels and to continue to achieve emergency response-related performance goals.

Prioritizing emergency response capabilities has allowed SFD to consistently achieve outcomes that are just below the National Fire Protection Association (NFPA) target of 90%. Currently, SFD responds within four minutes for an emergency medical incident 87% of the time. For fire emergencies, SFD is on scene with a minimum of 15 members, a full-alarm assignment of personnel, within eight minutes 84% of the time.

Preserving public safety - including the deployment of firefighting resources - remains a paramount priority for City government. With this in mind, the City embarked in 2012 on a three-phase operational assessment of the Seattle Fire Department to identify opportunities for operational efficiencies in SFD while still continuing to provide high-quality emergency response and prevention services. The first phase of the study focused on identifying short- and long-term efficiency opportunities. The second phase focused on a more in-depth analysis of the short-term efficiency opportunities identified in phase one. The third phase will explore operational efficiency opportunities that may be implemented over the long-term. This study is being conducted by TriData, a nationally recognized consultant specializing in fire data and operational analyses. The first two phases of the study were completed in the summer of 2012 and provide a basis for several of the recommendations included in the 2013-2014 Proposed Budget. The third phase of the study will be completed in the first quarter of 2013.

The primary recommendation of phase 2 of the TriData assessment is that SFD would benefit from a management re-organization. The study determined that the current SFD organizational structure had some gaps and other areas with overlaps. To address these concerns, the study lays out options for realigning SFD's management structure. The 2013-2014 Proposed Budget begins to implement these changes by eliminating one Assistant Chief position (out of 4) and the Battalion Chief assigned to oversee the implementation of the Fire Facilities Levy. The responsibilities previously handled by these positions will be reassigned to remaining positions in the organization, minimizing the operational impacts. As a result of this management re-organization, SFD will move their Communications and Support Services programs to the Risk Management Budget Control Level, which will be re-named Resource Management, and the purchasing functions within the Support Services Division will be reassigned to the Finance department to alleviate some of the technical support demands.

The Fire Department is also implementing reductions to its overtime budget. SFD will save overtime by hiring new firefighters off of the existing list of eligible candidates. This will allow SFD to avoid the overtime costs of backfilling for staff that would have otherwise assisted with oral interview boards. In addition, the Department will continue its current practice of not backfilling for paramedics while they are in training. On occasion, one paramedic unit at a time will attend half day firefighter training sessions. By not backfilling these paramedics, the department will save approximately 2,000 overtime hours per year. The Department implemented this cost savings measure midway through 2012 and does not anticipate substantive adverse impacts as a result of this change.

Furthermore, the 2013-2014 Proposed Budget eliminates a Hazardous Materials Inspector and a Communications Lieutenant. The Hazardous Materials Inspector provides permitting and inspection of hazardous materials and processes. The elimination of this position responds to the reduction in permit activity levels experienced over the last few years. The Communications Lieutenant manages communication equipment utilized through the department and dispatch center. This body of work will be decentralized and absorbed by remaining staff.

The SFD also collects revenues. The Fire Marshal's Office provides fire prevention services to direct service users, and collects fees that offset the cost of these services. The Fire Department identified opportunities this year to further align fee levels from fire permits and regulation activity with revised costs of service, streamline special

## Seattle Fire Department

events permitting, and increase certain fees to achieve cost recovery objectives. Specific changes include reduced fees in the Special Events program for street food vendors using fuel sources to cook food; simplify permits for fireworks; and remove the requirement that small outdoor events receive an SFD permit. These changes provide relief to small vendors and make the special events process work better for customers. SFD will also implement a new fee for testing emergency responder radio systems in buildings, consistent with requirements in the Seattle Fire Code. Other adjustments include fee increases for the installation of Knox Boxes, which allow emergency access to buildings and help avoid costs of firefighter forced entry during emergency responses, and fee increases for compliance inspections when multiple re-inspections are required. The 2013-2014 Proposed Budget also restores a 1.0 FTE Plan Review position and a 1.0 Construction Inspection position that were reduced during the Great Recession. Construction activity has now returned to more normal levels and the positions are required to meet the demand for plan review and construction inspection services. The fees for certification examinations for persons working on fire protection systems and for construction plan review are increased, with the intent to continue increasing these fees over the next five years to achieve full cost recovery in these categories. Taken together these adjustments result in a small increase in revenues and an overall cost recovery rate of 77% for permitting and regulation services that support fire and life safety of people who live, visit, and work in Seattle. Total revenues associated with this work are estimated to exceed \$4.6 million in 2013, driven in part by the recovery in the local construction industry.

Finally, the City negotiated a new, three-year labor contract, effective through December 31, 2014, with the Local 27 firefighters union. The agreement includes cost of living increases of 1.8% in 2012, 1.4% in 2013, and in 2014, members' base wages shall increase by the Consumer Price Index (CPI), provided that the increase shall not be less than 2% or greater than 7%. Local 27 members will also be able to cash out sick leave at a higher rate than previously allowed, which incentivizes less use of sick leave hours and therefore less use of overtime hours, resulting in a savings to the City. The City anticipates saving \$237,000 annually in overtime costs as a result of this change.

### Incremental Budget Changes

#### Seattle Fire Department

	2013		2014	
	Budget	FTE	Budget	FTE
<b>Total 2012 Adopted Budget</b>	<b>\$ 160,957,439</b>	<b>1,152.55</b>	<b>\$ 160,957,437</b>	<b>1,152.55</b>
<b>Baseline Changes</b>				
Citywide Adjustments for Standard Cost Changes	\$ 2,328,629	0.00	\$ 4,515,903	0.00
<b>Proposed Policy Changes</b>				
Staff Reductions	-\$ 250,986	-2.00	-\$ 252,992	-2.00
Reduce Overtime	-\$ 433,687	0.00	-\$ 133,687	0.00
Management Reorganization	-\$ 369,883	-2.00	-\$ 375,366	-2.00
Local 27 Labor Agreement	\$ 3,619,013	0.00	\$ 7,884,024	0.00
Technical Adjustments	-\$ 771,042	0.00	-\$ 722,422	0.00
Staff Additions for Construction Services	\$ 233,462	2.00	\$ 238,457	2.00
<b>Proposed Technical Changes</b>				
Final Citywide Adjustments for Standard Cost Changes	\$ 977,124	0.00	\$ 1,572,261	0.00
<b>Total Incremental Changes</b>	<b>\$ 5,332,630</b>	<b>-2.00</b>	<b>\$ 12,726,178</b>	<b>-2.00</b>
<b>2013 - 2014 Proposed Budget</b>	<b>\$ 166,290,067</b>	<b>1,150.55</b>	<b>\$ 173,683,615</b>	<b>1,150.55</b>

# Seattle Fire Department

## Description of Incremental Budget Changes

### Baseline Changes

#### **Citywide Adjustments for Standard Cost Changes - \$2,328,629**

Citywide technical adjustments made in the "Baseline Phase" reflect changes due to inflation, central cost allocations, retirement, health care, workers' compensation, and employment costs. These adjustments reflect initial assumptions about these costs and inflators early in the budget process.

### Proposed Policy Changes

#### **Staff Reductions - (\$250,986)/(2.00) FTE**

Staff reductions include a 1.0 FTE Hazardous Materials Firefighter Inspector and a 1.0 FTE Administrative Communications Lieutenant. The Hazardous Materials Inspector provides permitting and inspection of hazardous materials and processes. The reduction corresponds with a reduction in permit activity experienced over the past few years. The Communications Lieutenant manages communication equipment utilized through the department and dispatch center. This body of work will be decentralized and absorbed by remaining staff.

#### **Reduce Overtime - (\$433,687)**

SFD will save overtime by hiring new firefighters off of the existing list of eligible candidates. This will allow SFD to avoid the overtime costs of backfilling for staff that would have otherwise assisted with oral interview boards. In addition, the Department will continue its current practice of not backfilling for paramedics while they are in training. This is a change that SFD implemented in 2012, so this saving represents a continuation of current operational practice.

#### **Management Reorganization - (\$369,883)/(2.00) FTE**

The 2013-2014 Proposed Budget begins implementing some of the management re-organization recommendations generated by the recently completed operational analysis of the Fire Department. Specifically, one Assistant Chief position and the Battalion Chief assigned to oversee implementation of the Fire Facilities Levy are eliminated. The responsibilities previously handled by these positions will be reassigned to remaining positions in the organization, minimizing the operational impacts.

#### **Local 27 Labor Agreement - \$3,619,013**

In August 2012, the City negotiated a new contract with the Local 27 Fire Fighters union. The agreement included a Cost of Living Adjustment (COLA) that will increase firefighters' base wages by 1.4% in 2013 and by the level of the June-over-June Consumer Price Index (CPI) increase in 2014, provided that the increase shall not be less than 2%. This adjustment increases the budget appropriation by \$3,619,060 in 2013 and \$7,884,025 in 2014 to implement the labor contract terms and COLA amounts agreed to by the City of Seattle and International Association of Fire Fighters, Local 27.

#### **Technical Adjustments - (\$771,042)**

The technical adjustments include eliminating funding for a temporary ladder truck at the Spokane Street viaduct that was funded in 2012 as required for an SDOT construction project.

#### **Staff Additions for Construction Services - \$233,462/2.00 FTE**

As a result of increased construction activity that is approaching the historical levels seen between 2005 and 2007, the Department plans to restore 2 Regulating Construction FTEs: a Plan Reviewer and a Construction Inspector. These positions were eliminated in 2010 and 2011 when construction activity was at a lower level. Now that construction activity is increasing, the positions are being restored so the Department can continue to provide plan review and construction inspection services in a timely manner. The position costs will be offset by a projected increase in construction-related revenues for 2013.

# Seattle Fire Department

## Proposed Technical Changes

### Final Citywide Adjustments for Standard Cost Changes - \$977,124

Citywide technical adjustments made in the "Proposed Phase" reflect changes due to inflation, central cost allocations, retirement, health care, workers' compensation, and unemployment costs. These adjustments typically reflect updates to preliminary cost assumptions established in the "Baseline Phase."

## Expenditure Overview

Appropriations	Summit Code	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
<b>Administration Budget Control</b>					
Communications		5,781,873	5,840,430	0	0
Finance		926,180	965,181	1,278,902	1,328,716
Human Resources		947,356	1,043,711	1,102,822	1,141,325
Information Systems		3,559,473	3,955,065	4,189,807	4,320,516
Office of the Chief		932,261	900,506	798,208	824,817
Support Services		2,099,519	2,003,772	0	0
<b>Total</b>	<b>F1000</b>	<b>14,246,660</b>	<b>14,708,664</b>	<b>7,369,739</b>	<b>7,615,374</b>
<b>Fire Prevention Budget Control</b>					
Code Compliance		424,721	454,555	472,584	487,871
Fire Investigation		1,123,890	1,069,494	1,153,511	1,191,885
Office of the Fire Marshal		712,199	795,705	823,237	850,348
Public Education		297,825	327,871	343,541	356,863
Regulating Construction		1,829,964	1,905,318	2,288,585	2,372,727
Special Events		527,273	509,111	545,792	561,187
Special Hazards		1,492,283	1,545,138	1,547,588	1,609,532
<b>Total</b>	<b>F5000</b>	<b>6,408,153</b>	<b>6,607,193</b>	<b>7,174,837</b>	<b>7,430,413</b>
<b>Grants &amp; Reimbursables</b>	<b>F6000</b>	<b>7,313,163</b>	<b>832,286</b>	<b>389,234</b>	<b>412,262</b>
<b>Budget Control Level</b>					
<b>Operations Budget Control</b>					
Battalion 2		23,330,517	23,894,732	24,272,510	25,207,984
Battalion 3 - Medic One		13,013,134	11,943,871	12,853,943	13,220,207
Battalion 4		20,790,420	23,957,354	24,784,200	26,942,803
Battalion 5		21,094,408	22,819,283	23,243,736	24,232,620
Battalion 6		18,461,765	20,740,367	21,223,770	22,136,075
Battalion 7		18,788,564	18,442,913	18,850,142	19,632,846
Office of the Operations Chief		17,482,501	14,288,227	15,225,980	15,611,114
<b>Total</b>	<b>F3000</b>	<b>132,961,309</b>	<b>136,086,747</b>	<b>140,454,281</b>	<b>146,983,649</b>
<b>Resource Management Budget Control</b>					
Communications - Resource Mgmt		0	0	6,385,779	6,590,831
Safety and Risk Management		1,064,523	1,085,998	1,125,760	1,144,214

## Seattle Fire Department

Support Services - Resource Mgmt		0	0	1,673,238	1,725,477
Training and Officer Development		1,558,885	1,636,549	1,717,199	1,781,395
<b>Total</b>	<b>F2000</b>	<b>2,623,408</b>	<b>2,722,547</b>	<b>10,901,977</b>	<b>11,241,917</b>
<b>Department Total</b>		<b>163,552,694</b>	<b>160,957,439</b>	<b>166,290,067</b>	<b>173,683,615</b>
<b>Department Full-time Equivalents Total*</b>		<b>1,151.55</b>	<b>1,152.55</b>	<b>1,150.55</b>	<b>1,150.55</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.*

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

### Administration Budget Control Level

The purpose of the Administration Budget Control Level is to provide management information and to allocate and manage available resources needed to achieve the Department's mission.

Program Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Communications	5,781,873	5,840,430	0	0
Finance	926,180	965,181	1,278,902	1,328,716
Human Resources	947,356	1,043,711	1,102,822	1,141,325
Information Systems	3,559,473	3,955,065	4,189,807	4,320,516
Office of the Chief	932,261	900,506	798,208	824,817
Support Services	2,099,519	2,003,772	0	0
<b>Total</b>	<b>14,246,660</b>	<b>14,708,664</b>	<b>7,369,739</b>	<b>7,615,374</b>
Full-time Equivalents Total*	85.30	86.30	43.50	43.50

*\* 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 Fire Department

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

## Communications Program

The purpose of the Communications Program is to manage emergency calls to assure proper dispatch and subsequent safety monitoring of deployed units.

<b>Expenditures/FTE</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Communications	5,781,873	5,840,430	0	0
Full-time Equivalents Total	32.80	32.80	0.00	0.00

## Finance Program

The purpose of the Finance Program is to provide strategic financial planning and management to effectively utilize budgeted funds.

<b>Expenditures/FTE</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Finance	926,180	965,181	1,278,902	1,328,716
Full-time Equivalents Total	9.50	9.50	12.50	12.50

## Human Resources Program

The purpose of the Human Resources Program is to provide management, advice, and direction in all areas of human resources and labor relations for uniformed and civilian employees. Major areas include: all hiring processes; worker's compensation and all disability and leave programs; EEO including internal investigations, litigation support, Race and Social Justice Initiative support; personnel performance management; all department labor relations functions; and public disclosure.

<b>Expenditures/FTE</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Human Resources	947,356	1,043,711	1,102,822	1,141,325
Full-time Equivalents Total	9.00	8.00	8.00	8.00

## Information Systems Program

The purpose of the Information Systems Program is to provide data and technology to support the Department.

<b>Expenditures/FTE</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Information Systems	3,559,473	3,955,065	4,189,807	4,320,516
Full-time Equivalents Total	16.00	18.00	18.00	18.00

## Office of the Chief Program

The purpose of the Office of the Chief Program is to provide strategy, policy, priorities, and leadership to department personnel and advise the Executive on matters of department capabilities in order to ensure delivery of service to Seattle residents.

<b>Expenditures/FTE</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Office of the Chief	932,261	900,506	798,208	824,817
Full-time Equivalents Total	6.00	6.00	5.00	5.00

# Seattle Fire Department

## Support Services Program

The purpose of the Support Services Program is to provide the complete range of logistical support necessary to ensure all operational services have the supplies, capital equipment, fleet, and facilities needed to accomplish their objectives.

Expenditures/FTE	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Support Services	2,099,519	2,003,772	0	0
Full-time Equivalents Total	12.00	12.00	0.00	0.00

## **Fire Prevention Budget Control Level**

The purpose of the Fire Prevention Budget Control Level is to provide Fire Code enforcement to help prevent injury and loss from fire and other hazards.

Program Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Code Compliance	424,721	454,555	472,584	487,871
Fire Investigation	1,123,890	1,069,494	1,153,511	1,191,885
Office of the Fire Marshal	712,199	795,705	823,237	850,348
Public Education	297,825	327,871	343,541	356,863
Regulating Construction	1,829,964	1,905,318	2,288,585	2,372,727
Special Events	527,273	509,111	545,792	561,187
Special Hazards	1,492,283	1,545,138	1,547,588	1,609,532
<b>Total</b>	<b>6,408,153</b>	<b>6,607,193</b>	<b>7,174,837</b>	<b>7,430,413</b>
Full-time Equivalents Total*	54.50	54.50	55.50	55.50

\* 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 Fire Prevention Budget Control Level:**

### Code Compliance Program

The purpose of the Code Compliance Program is to provide Fire Code information to the public and resolve code violations that have been identified to reduce fire and hazardous material dangers.

Expenditures/FTE	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Code Compliance	424,721	454,555	472,584	487,871
Full-time Equivalents Total	4.00	4.00	4.00	4.00

### Fire Investigation Program

The purpose of the Fire Investigation Program is to determine the origin and cause of fires in order to pursue arson prosecution and identify needed changes to the Fire Code to enhance prevention practices.

Expenditures/FTE	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Fire Investigation	1,123,890	1,069,494	1,153,511	1,191,885
Full-time Equivalents Total	9.00	9.00	9.00	9.00

# Seattle Fire Department

## Office of the Fire Marshal Program

The purpose of the Office of the Fire Marshal Program is to develop Fire Code enforcement policy, propose code revisions, manage coordination of all prevention programs with other lines of business, and archive inspection and other records to minimize fire and other code-related dangers.

<b>Expenditures/FTE</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Office of the Fire Marshal	712,199	795,705	823,237	850,348
Full-time Equivalents Total	5.50	5.50	5.50	5.50

## Public Education Program

The purpose of the Public Education Program is to serve as a fire and injury prevention resource for those who live and work in Seattle to reduce loss of lives and properties from fires.

<b>Expenditures/FTE</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Public Education	297,825	327,871	343,541	356,863
Full-time Equivalents Total	3.00	3.00	3.00	3.00

## Regulating Construction Program

The purpose of the Regulating Construction Program is to provide timely review of building and fire protection system plans and conduct construction site inspections to ensure compliance with Fire Code, safety standards, and approved plans to minimize risk to occupants.

<b>Expenditures/FTE</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Regulating Construction	1,829,964	1,905,318	2,288,585	2,372,727
Full-time Equivalents Total	15.50	15.50	17.50	17.50

## Special Events Program

The purpose of the Special Events Program is to ensure that plans for large public assemblies comply with Fire Codes to provide a safer environment and reduce potential risks to those attending the event.

<b>Expenditures/FTE</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Special Events	527,273	509,111	545,792	561,187
Full-time Equivalents Total	3.00	3.00	3.00	3.00

## Special Hazards Program

The purpose of the Special Hazards Program is to enforce Fire Code requirements for the safe storage, handling, transport, and use of flammable or combustible liquids and other hazardous materials to reduce the dangers that such materials pose to the public.

<b>Expenditures/FTE</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Special Hazards	1,492,283	1,545,138	1,547,588	1,609,532
Full-time Equivalents Total	14.50	14.50	13.50	13.50

# Seattle Fire Department

## Grants & Reimbursables Budget Control Level

The purpose of the Grants & Reimbursables Budget Control Level (BCL) is to improve financial management of grant and reimbursable funds. In the annual budget process, costs for staff and equipment are fully reflected in the BCLs in which they reside; for example, in the Operations BCL. When reimbursable expenditures are made, the expenses are moved into this BCL to separate reimbursable and non-reimbursable costs, and to ensure the reimbursable costs are effectively managed and monitored.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Grants & Reimbursables	7,313,163	832,286	389,234	412,262
<b>Total</b>	<b>7,313,163</b>	<b>832,286</b>	<b>389,234</b>	<b>412,262</b>
Full-time Equivalents Total*	3.50	3.50	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.

## Operations Budget Control Level

The purpose of the Operations Budget Control Level is to provide emergency and disaster response capabilities for fire suppression, emergency medical needs, hazardous materials, weapons of mass destruction, and search and rescue.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Battalion 2	23,330,517	23,894,732	24,272,510	25,207,984
Battalion 3 - Medic One	13,013,134	11,943,871	12,853,943	13,220,207
Battalion 4	20,790,420	23,957,354	24,784,200	26,942,803
Battalion 5	21,094,408	22,819,283	23,243,736	24,232,620
Battalion 6	18,461,765	20,740,367	21,223,770	22,136,075
Battalion 7	18,788,564	18,442,913	18,850,142	19,632,846
Office of the Operations Chief	17,482,501	14,288,227	15,225,980	15,611,114
<b>Total</b>	<b>132,961,309</b>	<b>136,086,747</b>	<b>140,454,281</b>	<b>146,983,649</b>
Full-time Equivalents Total*	990.25	990.25	991.25	991.25

\* 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.

# Seattle Fire Department

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

## **Battalion 2 Program**

The purpose of each Operations Battalion Program is to provide response services for fire suppression, basic life support, emergency medical care, fire prevention inspections, rescue, hazardous material, and weapons of mass destruction incidents for Seattle residents. Battalion 2 primarily covers central Seattle.

<b>Expenditures/FTE</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Battalion 2	23,330,517	23,894,732	24,272,510	25,207,984
Full-time Equivalents Total	195.45	195.45	195.45	195.45

## **Battalion 3 - Medic One Program**

The purpose of the Battalion 3 - Medic One Program is to provide advanced life support medical services for the safety of Seattle residents.

<b>Expenditures/FTE</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Battalion 3 - Medic One	13,013,134	11,943,871	12,853,943	13,220,207
Full-time Equivalents Total	83.00	83.00	83.00	83.00

## **Battalion 4 Program**

The purpose of each Operations Battalion Program is to provide response services for fire suppression, basic life support, emergency medical care, fire prevention inspections, rescue, hazardous material, and weapons of mass destruction incidents for Seattle residents. Battalion 4 primarily covers northwest Seattle.

<b>Expenditures/FTE</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Battalion 4	20,790,420	23,957,354	24,784,200	26,942,803
Full-time Equivalents Total	199.45	199.45	199.45	199.45

## **Battalion 5 Program**

The purpose of each Operations Battalion Program is to provide response services for fire suppression, basic life support, emergency medical care, fire prevention inspections, rescue, hazardous material, and weapons of mass destruction incidents for Seattle residents. Battalion 5 primarily covers southeast Seattle.

<b>Expenditures/FTE</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Battalion 5	21,094,408	22,819,283	23,243,736	24,232,620
Full-time Equivalents Total	185.45	185.45	185.45	185.45

# Seattle Fire Department

## Battalion 6 Program

The purpose of each Operations Battalion Program is to provide response services for fire suppression, basic life support, emergency medical care, fire prevention inspections, rescue, hazardous material, and weapons of mass destruction incidents for Seattle residents. Battalion 6 primarily covers northeast Seattle.

<b>Expenditures/FTE</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Battalion 6	18,461,765	20,740,367	21,223,770	22,136,075
Full-time Equivalents Total	169.45	169.45	169.45	169.45

## Battalion 7 Program

The purpose of each Operations Battalion Program is to provide response services for fire suppression, basic life support, emergency medical care, fire prevention inspections, rescue, hazardous material, and weapons of mass destruction incidents for Seattle residents. Battalion 7 primarily covers southwest Seattle.

<b>Expenditures/FTE</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Battalion 7	18,788,564	18,442,913	18,850,142	19,632,846
Full-time Equivalents Total	148.45	148.45	148.45	148.45

## Office of the Operations Chief Program

The purpose of the Office of the Operations Chief Program is to provide planning, leadership, and tactical support to maximize emergency fire, disaster, and rescue operations.

<b>Expenditures/FTE</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Office of the Operations Chief	17,482,501	14,288,227	15,225,980	15,611,114
Full-time Equivalents Total	9.00	9.00	10.00	10.00

## Resource Management Budget Control Level

The purpose of the Resource Management Budget Control Level (formerly known as Risk Management) is to recruit and train uniformed staff, reduce injuries by identifying and changing practices that place firefighters at greater risk, provide services to enhance firefighter health and wellness, and provide communication services and logistical support.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Communications - Resource Mgmt	0	0	6,385,779	6,590,831
Safety and Risk Management	1,064,523	1,085,998	1,125,760	1,144,214
Support Services - Resource Mgmt	0	0	1,673,238	1,725,477
Training and Officer Development	1,558,885	1,636,549	1,717,199	1,781,395
<b>Total</b>	<b>2,623,408</b>	<b>2,722,547</b>	<b>10,901,977</b>	<b>11,241,917</b>
Full-time Equivalents Total*	18.00	18.00	57.80	57.80

\* 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.

# Seattle Fire Department

*The following information summarizes the programs in Resource Management Budget Control Level:*

## Communications - Resource Mgmt Program

The purpose of the Communications Program is to manage emergency calls to assure proper dispatch and subsequent safety monitoring of deployed units.

<b>Expenditures/FTE</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Communications - Resource Mgmt	0	0	6,385,779	6,590,831
Full-time Equivalents Total	0.00	0.00	31.80	31.80

## Safety and Risk Management Program

The purpose of the Safety and Risk Management Program is to reduce injuries and health problems by identifying practices that place firefighters at risk during an emergency incident and providing services to enhance firefighter health and wellness.

<b>Expenditures/FTE</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Safety and Risk Management	1,064,523	1,085,998	1,125,760	1,144,214
Full-time Equivalents Total	6.00	6.00	6.00	6.00

## Support Services - Resource Mgmt Program

The purpose of the Support Services Program is to provide the complete range of logistical support necessary to ensure all operational services have the supplies, capital equipment, fleet, and facilities needed to accomplish their objectives.

<b>Expenditures/FTE</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Support Services - Resource Mgmt	0	0	1,673,238	1,725,477
Full-time Equivalents Total	0.00	0.00	8.00	8.00

## Training and Officer Development Program

The purpose of the Training and Officer Development Program is to provide centralized educational and development services for all uniformed members of the department to ensure they have the critical and command skills demanded by their jobs.

<b>Expenditures/FTE</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Training and Officer Development	1,558,885	1,636,549	1,717,199	1,781,395
Full-time Equivalents Total	12.00	12.00	12.00	12.00

# Fire Facilities Levy Fund

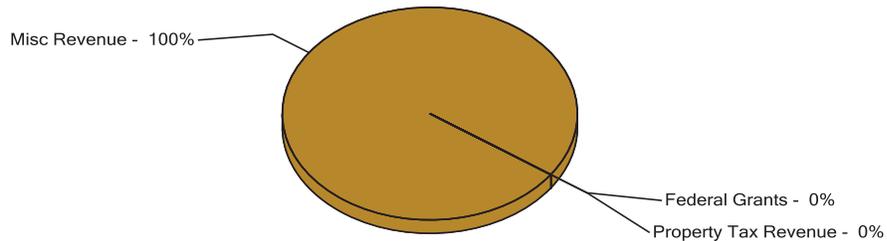
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## Department Overview

The 2003 Fire Facilities Levy Fund was created through Ordinance 121230, following voter approval of the Fire Facilities and Emergency Response Levy in November 2003. The Fund receives revenue from property taxes (approximately \$167.2 million over the nine-year life of the Levy), grants, certain interfund payments, and other sources. Levy Fund resources are supplemented with other funding sources, such as the City's Cumulative Reserve Subfund and bond proceeds, which are not included in this section but are detailed in the Department of Finance and Administrative Services Capital Improvement Program (CIP).

### 2013 Proposed Budget - Revenue by Category



## Budget Overview

Projects funded from the Fire Facilities Levy Fund are detailed in the Department of Finance and Administrative Services (FAS) CIP.

The following tables describe anticipated revenues and appropriations to the Fire Facilities Levy Fund for the budget years 2013 through 2016. In the past, the City made appropriations for individual projects up-front and resulting expenditures would span several years after the budget authority was approved. Starting in 2012, the CIP budget appropriations for projects equal the anticipated expenditures for that year. This enables the City to strategically structure its approach to financing, thereby reducing transaction costs, minimizing interest paid, and increasing flexibility with existing resources.

## Fire Facilities Levy Fund

### Revenue Overview

#### 2013 Estimated Revenues

Summit Code	Source	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
473010	Federal Grant Contribution/Grant-Direct	523,934	0	0	0
	<b>Total Federal Grants</b>	<b>523,934</b>	<b>0</b>	<b>0</b>	<b>0</b>
461110	Interest Earnings	234,634	115,000	0	0
461320	UNREALD GNS/LOSSES-INV GASB31	28,648	0	0	0
485100	Property Sales (Anticipated)	0	1,000,000	769,921	0
	<b>Total Misc Revenue</b>	<b>263,282</b>	<b>1,115,000</b>	<b>769,921</b>	<b>0</b>
411100	Taxes, Levies, Bonds	11,737,195	7,659,000	0	0
	<b>Total Property Tax Revenue</b>	<b>11,737,195</b>	<b>7,659,000</b>	<b>0</b>	<b>0</b>
	<b>Total Revenues</b>	<b>12,524,411</b>	<b>8,774,000</b>	<b>769,921</b>	<b>0</b>
379100	Use of (Contribution To) Fund Balance	-8,574,665	25,192,270	11,843,700	7,417,175
	<b>Total Use of Fund Balance</b>	<b>-8,574,665</b>	<b>25,192,270</b>	<b>11,843,700</b>	<b>7,417,175</b>
	<b>Total Resources</b>	<b>3,949,746</b>	<b>33,966,270</b>	<b>12,613,621</b>	<b>7,417,175</b>

### Fire Facilities Levy Fund Table

#### 2003 Fire Facilities Subfund (34440)

	2011 Actuals	2012 Adopted	2012 Revised	2013 Proposed	2014 Proposed
<b>Beginning Fund Balance</b>	<b>24,467,107</b>	<b>32,083,190</b>	<b>33,041,772</b>	<b>23,613,552</b>	<b>11,769,852</b>
Accounting and Technical Adjustments	0	0	0	0	0
Plus: Actual and Estimated Revenues	12,524,411	8,774,000	14,846,439	769,921	0
Less: Capital Improvements				1,248,079	0
Less: Capital Improvements Less: Pre-2013 Appropriations	3,949,746	33,966,000	24,274,561	11,365,620	
<b>Ending Fund Balance</b>	<b>33,095,062</b>	<b>32,583,771</b>	<b>38,709,500</b>	<b>38,231,342</b>	<b>38,231,342</b>
Continuing Appropriations	46,658,033	5,835,000	24,383,472	11,769,852	4,352,677
<b>Total Reserves</b>	<b>46,658,033</b>	<b>5,835,000</b>	<b>24,383,472</b>	<b>11,769,852</b>	<b>4,352,677</b>
<b>Ending Unreserved Fund Balance</b>	<b>(15,616,261)</b>	<b>1,056,190</b>	<b>(769,921)</b>	<b>0</b>	<b>0</b>

# Firefighters' Pension

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Steve Brown, Executive Secretary  
Department Information Line: (206) 625-4355  
On the Web at: <http://www.seattle.gov/firepension/>



## Department Overview

The Firefighters' Pension Fund provides responsive benefit services to eligible active and retired firefighters. Firefighters eligible for these services are those who, as a result of being hired before October 1, 1977, are members of the Law Enforcement Officers and Fire Fighters Retirement System Plan I (LEOFF I), and those who are pre-LEOFF, that is, those hired before March 1, 1970, the effective date of the Washington Law Enforcement Officers' and Fire Fighters' Retirement System Act. The City of Seattle Firefighters' Pension Fund is responsible for all pre-LEOFF pension benefits and for that portion of the previous municipal firefighter pension benefits that exceed LEOFF Plan I entitlements, including the pension benefits of their lawful beneficiaries, as well as for all medical benefits provided to qualifying active and retired Seattle firefighters. Both the Seattle Firefighters' Pension Fund and the LEOFF Plan I are closed systems and have not accepted new enrollments since October 1, 1977. Seattle firefighters hired after this date are automatically enrolled in the State's LEOFF Plan II, for which the Seattle Firefighters' Pension Fund has no pension or medical benefit obligation.

The Seattle Firefighters' Pension Board is a five-member, quasi-judicial body chaired by the Mayor of Seattle or his/her designee, which formulates policy, rules upon 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 budget, are based on the forecasts of an independent actuary. The Firefighters' Pension Fund has two statutory funding sources. The first is a component of the City's property tax levy. These revenues are placed in the City's General Fund, which funds the Fire Pension Fund's annual budget. The second statutory funding source is the State Fire Insurance Premium Tax. These statutory funding sources are in addition to other smaller funding sources that support the Firefighters' Pension Fund obligations.

The Firefighters' Pension Fund includes two funds: the Fire Pension Fund, which pays current pension, medical, and death benefits; and the Actuarial Account, which was established by Ordinance 117216 in 1994, and which was designed to pay future pension liabilities of the Fund.

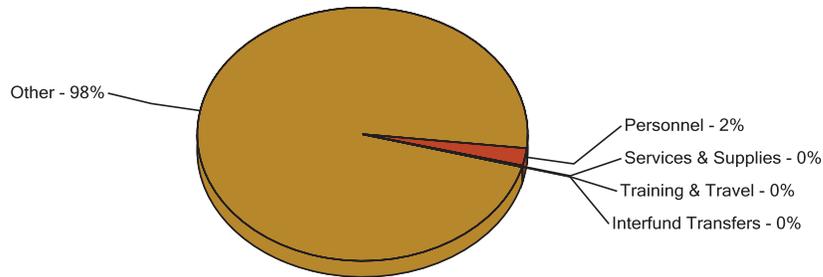
## Firefighters' Pension

### Budget Snapshot

Department Support	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
General Fund Support	\$18,748,722	\$18,874,973	\$18,272,658	\$18,060,246
Other Funding - Operating	\$906,236	\$1,313,825	\$1,744,101	\$1,769,022
<b>Total Operations</b>	<b>\$19,654,958</b>	<b>\$20,188,797</b>	<b>\$20,016,758</b>	<b>\$19,829,268</b>
<b>Total Appropriations</b>	<b>\$19,654,958</b>	<b>\$20,188,797</b>	<b>\$20,016,758</b>	<b>\$19,829,268</b>
Full-time Equivalent Total*	4.00	4.00	4.00	4.00

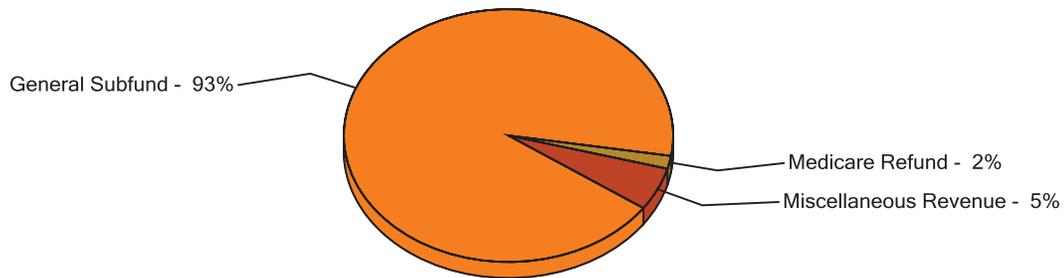
\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Personnel Director actions outside of the budget process may not be detailed here.

### 2013 Proposed Budget - Expenditure by Category



# Firefighters' Pension

## 2013 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 expenditures, in turn, are devoted to paying legally mandated pension and medical benefits to eligible active and retired firefighters and (in the case of pension benefits only) their qualified beneficiaries.

The amount of General Fund support required for FPEN in 2013 is about \$600,000 less than in the 2012 Adopted Budget. Current projections suggest that the General Fund contribution to the fund can drop by \$800,000 in 2014 relative to the 2012 Adopted Budget. There are three main dynamics that impact the levels of General Fund support required in the 2013-2014 Proposed Budget.

- First, the recently completed labor negotiations with Local 27, the Seattle Fire Fighters union, lowers the total pension cost growth for current retirees. The key aspect here is the difference between the locally negotiated growth rates and the growth rate in LEOFF I entitlement payments made by the State. The net impact for 2013 is a small decline in total pension obligations covered by the City.
- Second, updated revenue estimates between 2011 and 2014 bring in additional non-General Fund revenue for FPEN, primarily related to refunds from Medicare drug subsidies.
- Third, updated estimates for administrative spending in 2012 are below 2012 Adopted Budget levels. This savings in 2012 results in fund balances that can be used to support spending in 2013 and 2014, reducing the need for General Fund support.

In response to General Fund deficits, in each year since 2009 the City has deferred voluntary contributions to the Actuarial Account in FPEN via Ordinance 122859 and Ordinance 123459. The 2013-2014 Proposed Budget continues that deferral. Contributions to the Actuarial Account are assumed to remain suspended through 2016 continuing the recent practice of funding FPEN on a pay as you go basis. Previous contribution levels to the Actuarial Account were designed to fully fund, by the end of 2023, all future anticipated pension costs that will be borne by the Fire Pension Fund, in accordance with Ordinance 117216. Deferrals of payments between 2009 and 2014 necessitate either substantially increased payments in years 2015-2023, an extension of the time required for the fund to reach full funding, or simply funding these obligations on a pay-as-you-go basis as is the current practice. In any case, the City will continue to meet its pension liabilities.

# Firefighters' Pension

## Incremental Budget Changes

### Firefighters' Pension

	2013		2014	
	Budget	FTE	Budget	FTE
<b>Total 2012 Adopted Budget</b>	<b>\$ 20,188,797</b>	<b>4.00</b>	<b>\$ 20,188,797</b>	<b>4.00</b>
<b>Baseline Changes</b>				
Citywide Adjustments for Standard Cost Changes	\$ 16,858	0.00	\$ 29,367	0.00
Restore Actuarial Account Funding	\$ 5,000,000	0.00	\$ 5,000,000	0.00
<b>Proposed Policy Changes</b>				
Continue Temporary Suspension of Actuarial Account Funding	-\$ 5,188,897	0.00	-\$ 5,388,897	0.00
<b>Total Incremental Changes</b>	<b>-\$ 172,039</b>	<b>0.00</b>	<b>-\$ 359,530</b>	<b>0.00</b>
<b>2013 - 2014 Proposed Budget</b>	<b>\$ 20,016,758</b>	<b>4.00</b>	<b>\$ 19,829,268</b>	<b>4.00</b>

## Description of Incremental Budget Changes

### Baseline Changes

#### Citywide Adjustments for Standard Cost Changes - \$16,858

Citywide technical adjustments made in the "Baseline Phase" reflect changes due to inflation, central cost allocations, retirement, health care, workers' compensation, and employment costs. These adjustments reflect initial assumptions about these costs and inflators early in the budget process.

#### Restore Actuarial Account Funding - \$5,000,000

This adjustment restores funding to the Actuarial Account. Funding of the Actuarial Account was temporarily suspended in 2009-2012 and was assumed to resume in the initial development of the 2013-2014 baseline funding levels. This amount was the estimated level of funding required as of the "Baseline Phase". As described below in a separate adjustment, the suspension of Actuarial Account funding is continued in the 2013-2014 Proposed Budget.

### Proposed Policy Changes

#### Continue Temporary Suspension of Actuarial Account Funding - (\$5,188,897)

In 2009-2012, the City temporarily deferred voluntary planned contributions to the Actuarial Account in the Fire Pension Fund. The City will continue to defer contributions to the Actuarial Account in 2013 and 2014. Additionally, this adjustment reflects updated actuarial estimates for pension obligations of the Firefighters' Pension Fund based on experience in the Fund and also on the outcome of labor negotiations with Local 27.

## Firefighters' Pension

### Expenditure Overview

Appropriations	Summit Code	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
<b>Firefighters' Pension Budget Control</b>					
Administration		561,658	584,901	601,759	614,268
Death Benefits		11,000	15,000	15,000	15,000
Medical Benefits		10,192,114	10,700,001	10,700,000	10,700,000
Pensions		8,890,186	8,888,897	8,700,001	8,500,001
Transfer to Actuarial Account		0	0	0	0
<b>Total</b>	<b>R2F01</b>	<b>19,654,958</b>	<b>20,188,797</b>	<b>20,016,758</b>	<b>19,829,268</b>
<b>Department Total</b>		<b>19,654,958</b>	<b>20,188,797</b>	<b>20,016,758</b>	<b>19,829,268</b>
<b>Department Full-time Equivalents Total*</b>		<b>4.00</b>	<b>4.00</b>	<b>4.00</b>	<b>4.00</b>

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

### Revenue Overview

#### 2013 Estimated Revenues

Summit Code	Source	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
587001	General Subfund	17,758,533	18,874,972	18,272,660	18,060,246
	<b>Total General Subfund</b>	<b>17,758,533</b>	<b>18,874,972</b>	<b>18,272,660</b>	<b>18,060,246</b>
469990	Medicare Rx Subsidy Refund	351,122	0	325,000	325,000
	<b>Total Medicare Rx Subsidy Refund</b>	<b>351,122</b>	<b>0</b>	<b>325,000</b>	<b>325,000</b>
	Actuarial Account Interest	85,389	0	96,434	97,398
436691	Fire Insurance Premium Tax	906,236	939,174	985,104	1,010,027
	<b>Total Miscellaneous Revenue</b>	<b>991,625</b>	<b>939,174</b>	<b>1,081,538</b>	<b>1,107,425</b>
<b>Total Revenues</b>		<b>19,101,280</b>	<b>19,814,146</b>	<b>19,679,198</b>	<b>19,492,671</b>
	Use of (Contribution to) Fund Balance	553,678	374,651	337,562	336,597
	<b>Total Fund Balance</b>	<b>553,678</b>	<b>374,651</b>	<b>337,562</b>	<b>336,597</b>
<b>Total Resources</b>		<b>19,654,958</b>	<b>20,188,797</b>	<b>20,016,760</b>	<b>19,829,268</b>

# Firefighters' Pension

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

### Firefighters' Pension Budget Control Level

The purpose of the Firefighters' Pension Budget Control Level is to provide benefit services to eligible active and retired firefighters and their lawful beneficiaries.

Program Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Administration	561,658	584,901	601,759	614,268
Death Benefits	11,000	15,000	15,000	15,000
Medical Benefits	10,192,114	10,700,001	10,700,000	10,700,000
Pensions	8,890,186	8,888,897	8,700,001	8,500,001
Transfer to Actuarial Account	0	0	0	0
<b>Total</b>	<b>19,654,958</b>	<b>20,188,797</b>	<b>20,016,758</b>	<b>19,829,268</b>
Full-time Equivalents Total*	4.00	4.00	4.00	4.00

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

*The following information summarizes the programs in Firefighters' Pension Budget Control Level:*

#### **Administration Program**

The purpose of the Administration Program is to administer the medical and pension benefits programs for active and retired members.

Expenditures/FTE	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Administration	561,658	584,901	601,759	614,268
Full-time Equivalents Total	4.00	4.00	4.00	4.00

#### **Death Benefits Program**

The purpose of the Death Benefits Program is to disburse benefits and ensure proper documentation of deceased members' death benefits.

Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Death Benefits	11,000	15,000	15,000	15,000

#### **Medical Benefits Program**

The purpose of the Medical Benefits Program is to provide medical benefits to eligible members as prescribed by state law.

Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Medical Benefits	10,192,114	10,700,001	10,700,000	10,700,000

# Firefighters' Pension

## Pensions Program

The purpose of the Pensions Program is to administer the various facets of the members' pension benefits, which includes the calculation of benefits, the disbursement of funds, and pension counseling for active and retired members.

Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Pensions	8,890,186	8,888,897	8,700,001	8,500,001

## Transfer to Actuarial Account Program

The purpose of the Transfer to Actuarial Account Program is to fully fund the actuarial pension liability for the fund.

Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Transfer to Actuarial Account	0	0	0	0

## Firefighters Pension Fund Table

### Firefighters Pension Fund (60200)

	2011 Actuals	2012 Adopted	2012 Revised	2013 Proposed	2014 Proposed
<b>Beginning Fund Balance</b>	<b>11,430,410</b>	<b>10,451,227</b>	<b>10,876,732</b>	<b>11,011,389</b>	<b>10,673,829</b>
Accounting and Technical Adjustments	0	0	0	0	0
Plus: Actual and Estimated Revenues	19,101,280	19,814,146	20,226,970	19,679,198	19,492,671
Less: Actual and Budgeted Expenditures	19,654,958	20,188,797	20,092,313	20,016,758	19,829,268
<b>Ending Fund Balance</b>	<b>10,876,732</b>	<b>10,076,576</b>	<b>11,011,389</b>	<b>10,673,829</b>	<b>10,337,232</b>
Actuarial Account	9,576,576	9,576,576	9,643,400	9,739,834	9,837,232
Contingency Reserve	500,000	500,000	500,000	500,000	500,000
Rate Stabilization Reserve			867,990	433,995	0
<b>Total Reserves</b>	<b>10,076,576</b>	<b>10,076,576</b>	<b>11,011,390</b>	<b>10,673,829</b>	<b>10,337,232</b>
<b>Ending Unreserved Fund Balance</b>	<b>800,156</b>	<b>0</b>	<b>-1</b>	<b>0</b>	<b>0</b>



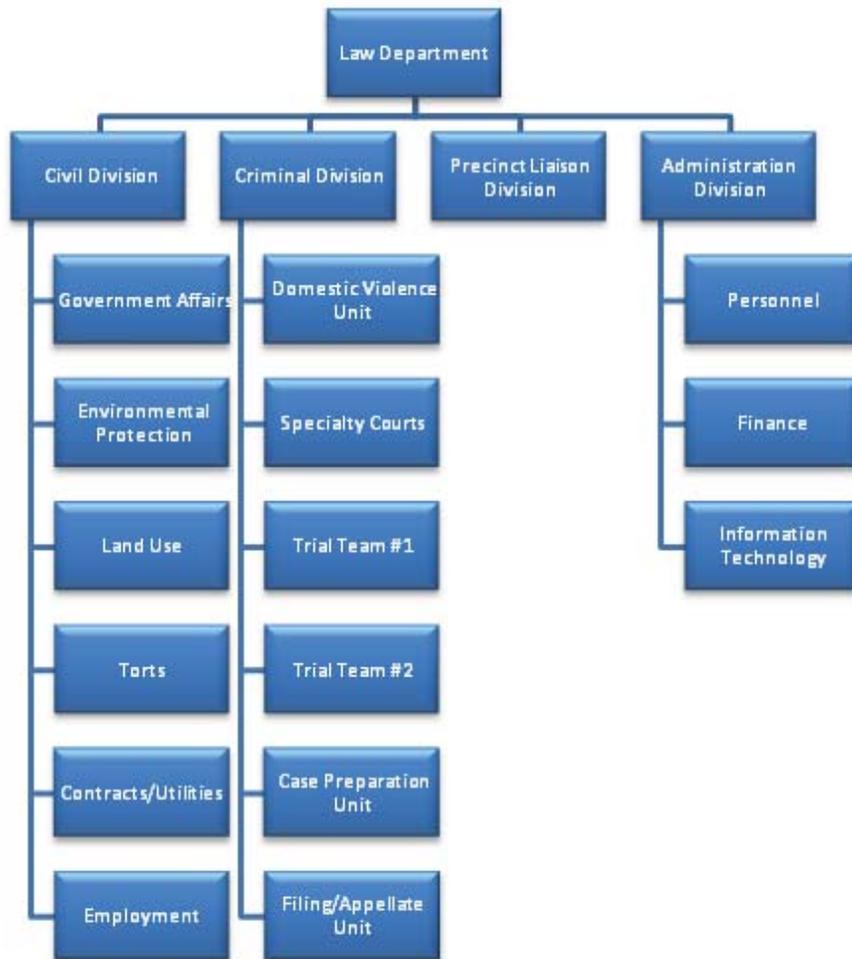
# Law Department

Peter S. Holmes, City Attorney

Department Information Line: Civil Division, (206) 684-8200;

Criminal Division, (206) 684-7757

On the Web at: <http://www.seattle.gov/law/>



## Department Overview

The Law Department serves as counsel to the City's elected officials and agencies, and as the prosecutor in Seattle Municipal Court. Peter S. Holmes, the Seattle City Attorney, is a nonpartisan elected official.

The Department provides legal advice to City officials to help them achieve their goals, represents the City in litigation, and protects the public health, safety, and welfare of the community by prosecuting violations of City criminal and civil ordinances and state law. The four department divisions are Administration, Civil, Criminal, and Precinct Liaisons.

## Law Department

The Administration Division provides executive leadership, communications, and operational support for the entire department. It is comprised of executives, 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 six specialized areas of practice: Employment, Environmental Protection, Land Use, Government Affairs, Torts, and Utilities & Contracts.

The Criminal Division prosecutes in Seattle Municipal Court misdemeanor crimes punishable by up to 364 days in jail, provides legal advice to City clients on criminal justice matters, monitors state criminal justice legislation of interest to the City, and participates in criminal justice policy development and management of the criminal justice system. In addition, the Criminal Division operates a Victims of Crime program which assists crime victims in obtaining restitution. The Criminal Division is comprised of a Case Prep Unit, Domestic Violence Unit, Appellate/Filing Unit, Specialty Courts Unit (Mental Health, Community Court, Veterans' Court, DUI, and Infractions Program), and two trial teams.

The Precinct Liaison attorneys work in each of the City's five police precincts, providing legal advice to police and other City departments. In helping to address a variety of neighborhood and community problems, these attorneys coordinate with the Civil and Criminal divisions to ensure a consistent, thorough and effective approach to solving issues of concern to the community.

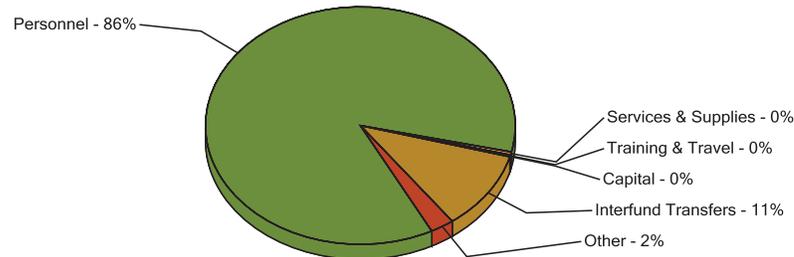
### Budget Snapshot

Department Support	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
General Fund Support	\$17,615,216	\$19,188,666	\$20,361,422	\$20,965,560
<b>Total Operations</b>	<b>\$17,615,216</b>	<b>\$19,188,666</b>	<b>\$20,361,422</b>	<b>\$20,965,560</b>
<b>Total Appropriations</b>	<b>\$17,615,216</b>	<b>\$19,188,666</b>	<b>\$20,361,422</b>	<b>\$20,965,560</b>
Full-time Equivalent Total*	155.10	160.60	159.10	159.10

\* 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.

# Law Department

## 2013 Proposed Budget - Expenditure by Category



### Budget Overview

General Fund budget pressures continue to require creative budget strategies. In the 2013-2014 Proposed Budget, the Law Department has identified nearly \$450,000 in savings and funding enhancements that will improve the ability of the Law Department to handle workload in a cost-effective manner. Reductions include the consolidation of part-time positions to save on benefits costs, the elimination of vacant positions, and capturing salary savings from staff turnover.

The Proposed Budget also contains three General Fund neutral additions. In 2011, two attorneys and a support staff position were added to the Law Department to bring police action cases in-house. In mid-2012, the Law Department added a third attorney. Police action cases involve lawsuits against the City and police officers which allege damages as a result of police actions. Previously, these cases had been handled by outside legal counsel, costing the City approximately \$1.8 million annually. As a result of handling these cases with in-house attorneys, the Law Department generated savings to the City's Police Action Judgment and Claims Subfund. The 2013-2014 Proposed Budget continues funding for the position that was added in mid-2012. The cost of this position is offset by savings in the Police Action Judgment and Claims Subfund, making this a General Fund neutral transaction. Funding for the three positions added in 2011 remain in the Law Department's base budget, as well.

Through the Judgment and Claims Subfund, the Law Department pays outside vendors to assist in information technology and electronic records management litigation support. A part-time Information Technology Systems Analyst is added to the Law Department, to allow the Law Department to handle this work in-house at a lower cost. The cost of this position is offset by a reduction in the Judgment and Claims Subfund making this another General Fund neutral transaction.

Finally, a technical change moves funding for an existing Assistant City Attorney housed in the Law Department's Torts Civil Division from the Judgment and Claims Subfund to the Law Department operating budget. This position has been funded from Judgment and Claims since 2003 when it was established to handle overflow Torts cases rather than sending them to outside counsel.

## Law Department

### Incremental Budget Changes

#### Law Department

	2013		2014	
	Budget	FTE	Budget	FTE
<b>Total 2012 Adopted Budget</b>	<b>\$ 19,188,667</b>	<b>160.60</b>	<b>\$ 19,188,667</b>	<b>160.60</b>
<b>Baseline Changes</b>				
Citywide Adjustments for Standard Cost Changes	\$ 1,404,562	0.00	\$ 2,066,406	0.00
<b>Proposed Policy Changes</b>				
Technology Staffing	\$ 62,734	0.50	\$ 65,244	0.50
Add Police Action Attorney	\$ 123,885	0.00	\$ 135,911	0.00
Change Market Adjustment	-\$ 150,000	0.00	-\$ 153,000	0.00
Staffing Consolidations and Savings	-\$ 296,024	-2.00	-\$ 314,247	-2.00
Funding Transfer from Judgment and Claims	\$ 166,633	0.00	\$ 172,176	0.00
<b>Proposed Technical Changes</b>				
Final Citywide Adjustments for Standard Cost Changes	-\$ 139,035	0.00	-\$ 195,597	0.00
<b>Total Incremental Changes</b>	<b>\$ 1,172,755</b>	<b>-1.50</b>	<b>\$ 1,776,893</b>	<b>-1.50</b>
<b>2013 - 2014 Proposed Budget</b>	<b>\$ 20,361,422</b>	<b>159.10</b>	<b>\$ 20,965,560</b>	<b>159.10</b>

### Description of Incremental Budget Changes

#### Baseline Changes

##### **Citywide Adjustments for Standard Cost Changes - \$1,404,562**

Citywide technical adjustments made in the "Baseline Phase" reflect changes due to inflation, central cost allocations, retirement, health care, workers' compensation, and employment costs. These adjustments reflect initial assumptions about these costs and inflators early in the budget process.

# Law Department

## Proposed Policy Changes

### **Technology Staffing - \$62,734/.50 FTE**

The Law Department IT staff of 3.0 FTE provides account setup and desktop support for over 200 workstations and manages approximately 15 applications and databases. In addition, they support the searching and compiling of electronic records related to public records requests and litigation. Due to increasing demand for electronic records, the Law Department has utilized outside vendors to handle some of this workload at a cost of about \$85,000 per year. Adding a 0.5 FTE Information Technology System Analyst position will allow the Law Department to bring this work in house, saving the City money in its Judgment and Claims fund.

### **Add Police Action Attorney - \$123,885**

In 2011, two attorneys and support staff were added to the Law Department to bring in-house a portion of the police action cases handled by outside counsel. This staffing change proved to be very successful since the billing rate for a City attorney is far less than that of private law firm attorneys. Significant savings has been generated in the Police Action Judgment and Claims Subfund. An additional attorney position is proposed with funding transferred from this Judgment and Claims Subfund.

### **Change Market Adjustment - (\$150,000)**

To meet reduction targets, the Law Department proposes to reduce the market adjustment awarded to the Assistant City Attorney discretionary pay system. The 2013 baseline included a 3.2% market adjustment. In order to trim personnel costs without layoffs, the market adjustment is reduced from 3.2% to 1.6%.

### **Staffing Consolidations and Savings - (\$296,024)/(2.00) FTE**

Four vacant part-time positions will be combined to create 2.0 FTE, resulting in benefit cost savings. With staff retirements, the department anticipates salary savings with new hires starting at a lower pay level. The Department will also eliminate two vacant attorney positions in the Criminal and Civil divisions. Last, the Department has committed to purchasing software in 2012 for the Criminal Division that will streamline the discovery process and automate the tracking and distribution of discovery to the Court and defense attorneys, resulting in \$10,000 in savings annually.

### **Funding Transfer from Judgment and Claims - \$166,633**

The cost of a Law Department attorney in the Civil Division has been routinely charged to the Judgment and Claims Subfund. In this budget-neutral action, the funding for this position is shifted from the Judgment and Claims Subfund to the Law Department's operating budget.

## Proposed Technical Changes

### **Final Citywide Adjustments for Standard Cost Changes - (\$139,035)**

Citywide technical adjustments made in the "Proposed Phase" reflect changes due to inflation, central cost allocations, retirement, health care, workers' compensation, and unemployment costs. These adjustments typically reflect updates to preliminary cost assumptions established in the "Baseline Phase."

## Law Department

### Expenditure Overview

Appropriations	Summit Code	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Administration Budget Control Level	J1100	1,607,212	1,718,188	1,893,005	1,952,668
Civil Budget Control Level	J1300	9,994,829	10,677,827	11,394,926	11,733,147
Criminal Budget Control Level	J1500	6,013,174	6,289,652	6,547,298	6,736,334
<b>General Fund Supported BCLs</b>					
Precinct Liaison Attorneys Budget Control Level	J1700	0	503,000	526,193	543,411
<b>Department Total</b>		<b>17,615,216</b>	<b>19,188,666</b>	<b>20,361,422</b>	<b>20,965,560</b>
<b>Department Full-time Equivalents Total*</b>		<b>155.10</b>	<b>160.60</b>	<b>159.10</b>	<b>159.10</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.*

## Law Department

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

#### Administration Budget Control Level

The purpose of the Administration Budget Control Level is to provide executive leadership, communications, and operational support for the entire department. The purpose is also to collectively recruit, train, evaluate, and retain qualified personnel, operate and maintain computer systems that enable department personnel to effectively use work-enhancing technology, and promote the financial integrity of the Department.

Program Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Administration	1,607,212	1,718,188	1,893,005	1,952,668
<b>Total</b>	<b>1,607,212</b>	<b>1,718,188</b>	<b>1,893,005</b>	<b>1,952,668</b>
Full-time Equivalents Total*	13.30	13.30	13.80	13.80

*\* 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.*

#### Civil Budget Control Level

The purpose of the Civil Budget Control Level is to provide legal advice to the City's policy-makers, and to defend and represent the City, its employees, and officials before a variety of county, state, federal courts, and administrative bodies.

Program Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Civil	9,994,829	10,677,827	11,394,926	11,733,147
<b>Total</b>	<b>9,994,829</b>	<b>10,677,827</b>	<b>11,394,926</b>	<b>11,733,147</b>
Full-time Equivalents Total*	82.30	84.80	83.80	83.80

*\* 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 Control Level

The purpose of the Criminal Budget Control Level includes prosecuting ordinance violations and misdemeanor crimes, maintaining case information and preparing effective case files for the court appearances of prosecuting attorneys, and assisting and advocating for victims of domestic violence throughout the court process.

Program Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Criminal	6,013,174	6,289,652	6,547,298	6,736,334
<b>Total</b>	<b>6,013,174</b>	<b>6,289,652</b>	<b>6,547,298</b>	<b>6,736,334</b>
Full-time Equivalents Total*	59.50	58.50	57.50	57.50

*\* 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 Attorneys Budget Control Level

The purpose of this BCL 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 to ensure a consistent, thorough and effective approach.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Precinct Liaison Program	0	503,000	526,193	543,411
<b>Total</b>	<b>0</b>	<b>503,000</b>	<b>526,193</b>	<b>543,411</b>
Full-time Equivalents Total*	0.00	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.*

# Seattle Municipal Court

Department Information Line: (206) 684-5600  
On the Web at: <http://www.seattle.gov/courts/>



## Judicial Branch Overview

The Seattle Municipal Court processes more cases than any other municipal court in the State of Washington. Seattle Municipal 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 related to building and zoning offenses.

The Seattle Municipal 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, employees, and other

## Seattle Municipal Court

government entities. The Seattle Municipal Court values and recognizes its employees. The Municipal Court of Seattle is a contributing partner working toward a safe and vital community.

By working with community organizations, the Court has increased access for residents and enhanced compliance with court-ordered conditions. Court Probation and compliance staff monitor defendant compliance, assess treatment needs, and help direct them to social service resources. The Court leverages additional outside-agency resources with City funds to encourage defendants to successfully complete court orders. Work crew, community service, day reporting, and electronic home monitoring are used as alternatives to jail incarceration. The Court has achieved significant jail savings to the City since implementation of these programs.

The Mental Health Court, established in 1999, is nationally recognized for serving misdemeanor offenders who are chronically mentally ill or developmentally disabled. Intensive court supervision ensures accountability with court conditions and provides greater assurance of public safety. The Court expects defendants to maintain treatment compliance, contacts with social service providers and adherence with other conditions of release. This includes no contact orders with any victims or businesses impacted by the offender's actions. This is considered a model therapeutic court.

The Seattle Community Court, started as a pilot project in 2005, is a nationally recognized problem solving court. This innovative program enables people charged with non-violent misdemeanors to access social services while paying back the community with community service hours.

New in 2012 is the Seattle Veterans Treatment court. This is intended to meet the needs of returning service members from deployments in Iraq and Afghanistan, and other military personnel honorably 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 in distress. Typically the veterans come before the court for substance abuse and serious mental health issues. Treatment incorporates core values of military life including integrity, initiative and accountability. This new calendar is expected to expand as the number of veterans increase along with the need to address adjustment difficulties in a supportive and encouraging environment.

One and a half judges are dedicated to the Domestic Violence Court where special emphasis is placed on accountability for offender actions. Our specialized probation unit refers noncompliance issues to two dedicated half day review and revocation calendars each week. Judges come to know defendants and can make informed judgments before making sentencing and probation review decisions holding defendants responsible for their actions. Victim safety is a primary concern in these cases.

The Court continues to lead judicial administrative reform and is actively leading a new Seattle Criminal Justice Council that is initiating coordination on technology projects that will affect all criminal justice partners.

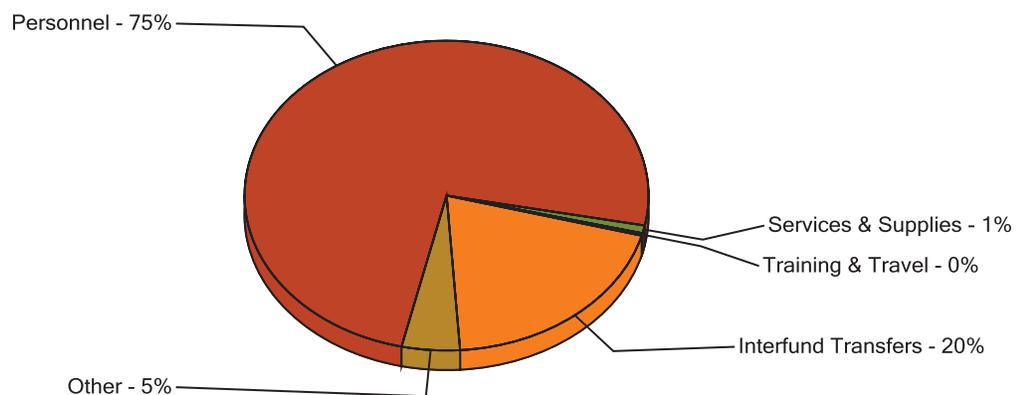
### Budget Snapshot

Department Support	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
General Fund Support	\$25,854,773	\$26,637,689	\$27,506,958	\$28,289,465
<b>Total Operations</b>	<b>\$25,854,773</b>	<b>\$26,637,689</b>	<b>\$27,506,958</b>	<b>\$28,289,465</b>
<b>Total Appropriations</b>	<b>\$25,854,773</b>	<b>\$26,637,689</b>	<b>\$27,506,958</b>	<b>\$28,289,465</b>
Full-time Equivalent Total*	214.10	214.10	212.60	212.60

\* 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 Municipal Court

## 2013 Proposed Budget - Expenditure by Category



### Budget Overview

The Seattle Municipal Court's priority is the adjudication of criminal trials. However, the Court carefully balances this with a focus on innovative problem solving programs. The specialty courts work with defendants on the underlying causes of criminal behavior. The goal is to avoid other criminal charges that would require a return to court.

The 2013-2014 Proposed Budget includes two reductions to the Court, generating a savings of nearly \$130,000. The first reduction consolidates magistrate hearings related to infractions from four Neighborhood Service Centers to the Justice Center downtown. Fewer residents are contesting their citations in person, preferring instead to take advantage of the Court's mail-in option. Also, in the future, residents will have the option to do this electronically. As such, the Court believes it can handle the caseload by only offering in-person services at the downtown Justice Center, generating \$75,000 in savings.

The second reduction finds savings by automating the call reminder program. In an effort to reduce the failure to appear rate of defendants, a phone call is made by administrative staff to remind defendants of their court dates. In 2012, the Court has identified funds to purchase software to automate this program. By 2013, staffing will be reduced resulting in a savings of almost \$56,000.

In addition, the Court implemented a debit/credit online payment fee increase starting in July of 2012. This will carry into 2013 and provide an annual increase to the General Fund of about \$200,000. The Court increased the fee from \$3.00 to \$4.00. The Seattle Municipal Code allows city agencies to apply a fee to these transactions to offset the cost of the transaction. There is no fee for debit/credit card payments made in person, pursuant to existing credit card company agreements.

## Seattle Municipal Court

### Incremental Budget Changes

#### Seattle Municipal Court

	2013		2014	
	Budget	FTE	Budget	FTE
<b>Total 2012 Adopted Budget</b>	<b>\$ 26,637,689</b>	<b>214.10</b>	<b>\$ 26,637,689</b>	<b>214.10</b>
<b>Baseline Changes</b>				
Citywide Adjustments for Standard Cost Changes	\$ 1,197,027	0.00	\$ 2,094,959	0.00
<b>Proposed Policy Changes</b>				
Consolidate Neighborhood Magistrate Hearings	-\$ 73,568	-0.50	-\$ 74,306	-0.50
Automate Call Reminder Program	-\$ 54,726	-1.00	-\$ 56,367	-1.00
Transfer Staff Between Divisions	\$ 0	0.00	\$ 0	0.00
<b>Proposed Technical Changes</b>				
Final Citywide Adjustments for Standard Cost Changes	-\$ 199,465	0.00	-\$ 312,510	0.00
<b>Total Incremental Changes</b>	<b>\$ 869,268</b>	<b>-1.50</b>	<b>\$ 1,651,776</b>	<b>-1.50</b>
<b>2013 - 2014 Proposed Budget</b>	<b>\$ 27,506,958</b>	<b>212.60</b>	<b>\$ 28,289,465</b>	<b>212.60</b>

# Seattle Municipal Court

## Description of Incremental Budget Changes

### Baseline Changes

#### **Citywide Adjustments for Standard Cost Changes - \$1,197,027**

Citywide technical adjustments made in the "Baseline Phase" reflect changes due to inflation, central cost allocations, retirement, health care, workers' compensation, and employment costs. These adjustments reflect initial assumptions about these costs and inflators early in the budget process.

### Proposed Policy Changes

#### **Consolidate Neighborhood Magistrate Hearings - (\$73,568)/(.50) FTE**

The Seattle Municipal Court allows residents to schedule mitigated and contested pre-hearings related to infractions at four Neighborhood Service Centers (NSC). Hearings are held one day each week in Lake City, Ballard, Southwest, and West Seattle. On the fifth day of each week, the magistrate works from the Justice Center downtown. However, the number of people who are seeking in-person mitigation and contested hearings is down as more residents take advantage of the Court's Adjudication by Mail (AdMail) program. As such, the Court plans to consolidate all of these cases at the downtown Justice Center, allowing the court to reduce administrative staffing costs. In addition to AdMail, the Court is moving towards electronic magistrate hearings which would give residents another access point beyond a trip downtown to the Justice Center.

#### **Automate Call Reminder Program - (\$54,726)/(1.00) FTE**

Over 10,000 calls are made each year to remind defendants of their court date. The call reminders, currently made by Court personnel, have helped to reduce defendants' failure to appear (FTA) rate. FTA's result in bench warrants, frequent bookings and additional jail costs. The FTA rate in 2011 was 25%. In 2013, the Court will utilize software to automate these calls, allowing the Court to eliminate an administrative position and save \$54,726. With this automation, the Court hopes to achieve comparable FTA rates to live person reminders and not more than 25%.

#### **Transfer Staff Between Divisions**

This change transfers the Court's Chief Clerk and a Research and Evaluation Assistant from Court Administration to Court Operations to better align the positions to their functional unit. This is a technical, budget neutral transaction.

### Proposed Technical Changes

#### **Final Citywide Adjustments for Standard Cost Changes - (\$199,465)**

Citywide technical adjustments made in the "Proposed Phase" reflect changes due to inflation, central cost allocations, retirement, health care, workers' compensation, and unemployment costs. These adjustments typically reflect updates to preliminary cost assumptions established in the "Baseline Phase."

# Seattle Municipal Court

## Expenditure Overview

Appropriations	Summit Code	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Court Administration Budget Control Level	M3000	5,836,729	5,913,131	6,117,522	6,278,791
Court Compliance Budget Control Level	M4000	5,065,999	5,214,167	5,343,927	5,492,767
Court Operations Budget Control Level	M2000	14,952,045	15,510,391	16,045,509	16,517,907
<b>Department Total</b>		<b>25,854,773</b>	<b>26,637,689</b>	<b>27,506,958</b>	<b>28,289,465</b>
<b>Department Full-time Equivalents Total*</b>		<b>214.10</b>	<b>214.10</b>	<b>212.60</b>	<b>212.60</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.

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

### Court Administration Budget Control Level

The purpose of the Court Administration Budget Control Level is to provide administrative controls, develop and provide strategic direction, and provide policy and program development.

Program Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Court Administration	5,836,729	5,913,131	6,117,522	6,278,791
<b>Total</b>	<b>5,836,729</b>	<b>5,913,131</b>	<b>6,117,522</b>	<b>6,278,791</b>
Full-time Equivalents Total*	34.00	34.00	32.00	32.00

\* 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.

### Court Compliance Budget Control Level

The purpose of the Court Compliance Budget Control Level is to help defendants understand the Court's expectations and to assist them in successfully complying with court orders.

Program Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Court Compliance	5,065,999	5,214,167	5,343,927	5,492,767
<b>Total</b>	<b>5,065,999</b>	<b>5,214,167</b>	<b>5,343,927</b>	<b>5,492,767</b>
Full-time Equivalents Total*	41.85	41.85	41.85	41.85

\* 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 Municipal Court

### Court Operations Budget Control Level

The purpose of the Court Operations Budget Control Level is to hold hearings and address legal requirements for defendants and others who come before the Court. Some proceedings are held in formal courtrooms and others in magistrate offices, with the goal of providing timely resolution of alleged violations of City ordinances and misdemeanor crimes committed within the Seattle city limits.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Court Operations	14,952,045	15,510,391	16,045,509	16,517,907
<b>Total</b>	<b>14,952,045</b>	<b>15,510,391</b>	<b>16,045,509</b>	<b>16,517,907</b>
Full-time Equivalents Total*	138.25	138.25	138.75	138.75

*\* 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.*



# Municipal Jail Subfund



## Department Overview

The Municipal Jail Subfund was created to receive revenues and pay the costs associated with planning for a new jail.

In 2008, the contract with King County for jail services was set to expire in 2012. At the time, Seattle housed most of its misdemeanor inmates in the King County Correctional Facility. King County stated it would not have room to house any city inmates after 2012 and therefore the affected cities needed to plan for new jail facilities to meet their jail capacity needs. As a result, the cities of Bellevue, Clyde Hill, Kirkland, Redmond, Shoreline, Yarrow Point, and Seattle, as well as King County, entered into agreements to jointly plan for a regional misdemeanor jail facility. Concurrently, the cities continued to pursue efforts with King County to find a regional solution to address the long-term jail capacity needs.

In 2010, however, conditions had significantly changed from 2008. King County and the affected cities adopted an agreement for jail services through 2016. In addition, the cities had more contracting options available than they had in 2008. As a result, the jail planning process was ended in 2010.

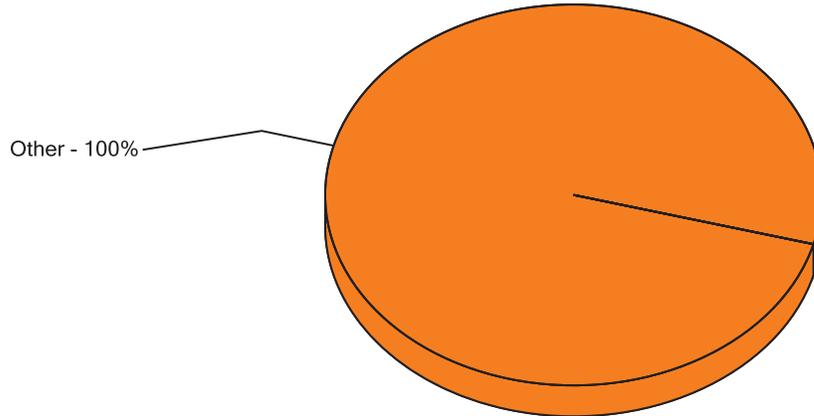
## Budget Snapshot

Department Support	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Other Funding - Operating	\$0	\$1,000,000	\$1,000,000	\$1,000,000
<b>Total Operations</b>	<b>\$0</b>	<b>\$1,000,000</b>	<b>\$1,000,000</b>	<b>\$1,000,000</b>
<b>Total Appropriations</b>	<b>\$0</b>	<b>\$1,000,000</b>	<b>\$1,000,000</b>	<b>\$1,000,000</b>
Full-time Equivalent Total*	0.00	0.00	0.00	0.00

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

## Municipal Jail Subfund

### 2013 Proposed Budget - Expenditure by Category



<b>Expenditure Overview</b>					
<b>Appropriations</b>	<b>Summit Code</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
<b>Municipal Jail Bond Proceeds Budget Control</b>					
Future Bond Proceeds		0	1,000,000	1,000,000	1,000,000
<b>Total</b>	<b>MUNIJAIL -BCL</b>	<b>0</b>	<b>1,000,000</b>	<b>1,000,000</b>	<b>1,000,000</b>
<b>Department Total</b>		<b>0</b>	<b>1,000,000</b>	<b>1,000,000</b>	<b>1,000,000</b>
<b>Department Full-time Equivalent Total*</b>		<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

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

## Municipal Jail Subfund

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

#### Municipal Jail Bond Proceeds Budget Control Level

The purpose of the Municipal Jail Bond Proceeds Budget Control Level is to pay capital costs associated with the construction of a new jail.

Program Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Future Bond Proceeds	0	1,000,000	1,000,000	1,000,000
<b>Total</b>	<b>0</b>	<b>1,000,000</b>	<b>1,000,000</b>	<b>1,000,000</b>

*The following information summarizes the programs in Municipal Jail Bond Proceeds Budget Control Level:*

#### **Future Bond Proceeds Program**

Under an intergovernmental agreement, King County houses most City inmates. King County has notified the City that the County will not renew the agreement when it expires in 2012. Because of the short timeline for the development of a new correctional facility, the Fleets and Facilities Department (FFD) will conduct the siting process and develop early design documents at the same time the City pursues partnership opportunities with other jurisdictions.

Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Future Bond Proceeds	0	1,000,000	1,000,000	1,000,000

#### **Municipal Jail Fund Table**

##### Municipal Jail Sub fund (00139)

	2011 Actuals	2012 Adopted	2012 Revised	2013 Proposed	2014 Proposed
<b>Beginning Fund Balance</b>	<b>3,609,057</b>	<b>3,609,057</b>	<b>3,608,559</b>	<b>2,608,559</b>	<b>1,608,559</b>
Accounting and Technical Adjustments	0	0	0	0	0
Less: Actual and Budgeted Expenditures	0	1,000,000	1,000,000	1,000,000	1,000,000
Less: Capital Improvements	498	0	0	0	0
<b>Ending Fund Balance</b>	<b>3,608,559</b>	<b>2,609,057</b>	<b>2,608,559</b>	<b>1,608,559</b>	<b>608,559</b>
<b>Ending Unreserved Fund Balance</b>	<b>3,608,559</b>	<b>2,609,057</b>	<b>2,608,559</b>	<b>1,608,559</b>	<b>608,559</b>

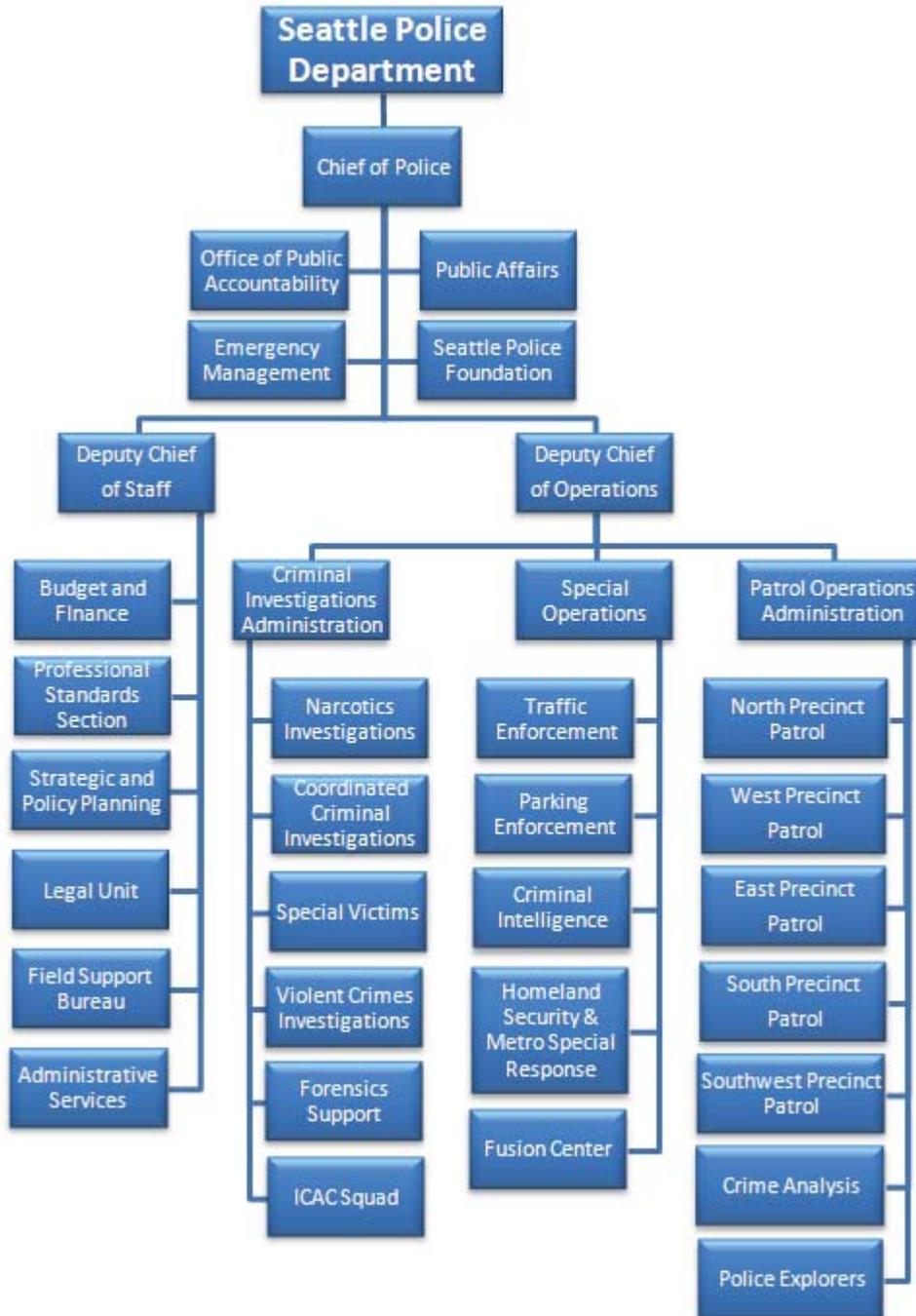


# Seattle Police Department

John Diaz, Chief

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# Seattle Police Department

## Department Overview

The Seattle Police Department (SPD) prevents crime, enforces laws, and enhances public safety by delivering respectful, professional, and dependable police services. SPD operations are divided into five geographical areas called "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 and order-maintenance services at its core, allowing SPD the greatest flexibility in managing public safety. Under this model, neighborhood-based enforcement personnel in each precinct assume responsibility for public safety management, primary crime prevention and law enforcement. Property crimes and crimes involving juveniles are investigated by precinct-based investigators, whereas detectives in centralized units located at SPD headquarters downtown, conduct follow-up investigations in 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. 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.

The Neighborhood Policing Plan (NPP), adopted by the City in 2007, provides the framework for how SPD deploys patrol staff to meet the City's public safety policy objectives. The plan seeks to provide faster response times regardless of the time of day, day of week or season of the year; a stronger police presence when responding to calls for service; and a smarter use of patrol resource to focus on persistent problems that can affect quality of life in the city.

NPP aims to address three specific goals:

- To respond to high priority emergency calls in an average of seven minutes or less - a commonly accepted response time for police forces in larger cities.
- To allow patrol officers to do more proactive policing (30% of officer time) to help resolve the underlying conditions that create violations of law and/or public order.
- To deploy 10 additional "back-up" police vehicles citywide. These cars (two in each precinct) provide better area coverage and improve back-up capability to enhance officer safety.

NPP helps to strengthen officers' sense of ownership of the neighborhoods they serve, match workload to demand, and use proactive time in a way that is targeted, measured and enhances the Department's ability to achieve public safety outcomes.

In March 2012, SPD launched the **SPD 20/20: A Vision for the Future Plan (20/20 Plan)**. It is a comprehensive package of new reform initiatives for the Seattle Police Department, with the goal of supporting a just and effective police force. The SPD 20/20 team is made up of over 30 SPD department leaders who oversee the implementation of 20 new reform initiatives over the next 20 months.

During the summer of 2012, the City of Seattle and the United States Department of Justice (DOJ) reached an agreement on a plan for improving police operations. A key element of the plan is the development and implementation of policies and procedures for use of force. The agreement builds upon efforts already underway in the 20/20 plan, but goes further with the addition of a court appointed monitor that will oversee implementation of the plan and measure SPD's progress in meeting stated goals.

Another key element of the agreement is the establishment of a Community Police Commission. The Commission is established to receive input and guidance from the community that the Seattle Police Department serves. The Seattle Police Department strives to be an effective and just police force. To that end, the newly established Commission will serve as a portal for communications between SPD and the myriad of communities that make up the City of Seattle.

The agreement with the DOJ and the 20/20 Plan are a major focus for SPD that will transform how it operates in the years to come.

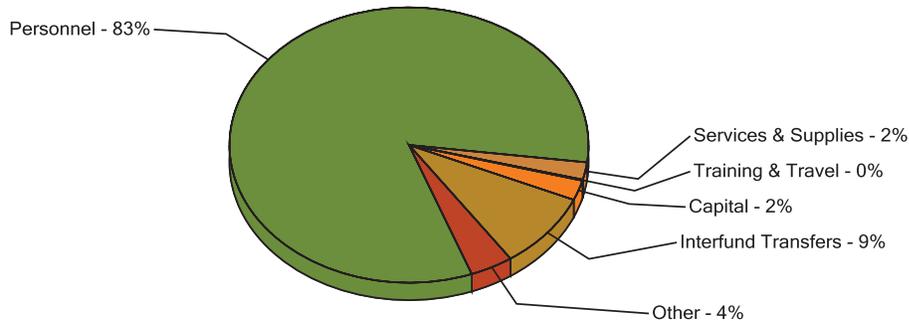
# Seattle Police Department

## Budget Snapshot

Department Support	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
General Fund Support	\$259,255,489	\$252,217,249	\$268,135,576	\$265,973,538
<b>Total Operations</b>	<b>\$259,255,489</b>	<b>\$252,217,249</b>	<b>\$268,135,576</b>	<b>\$265,973,538</b>
<b>Total Appropriations</b>	<b>\$259,255,489</b>	<b>\$252,217,249</b>	<b>\$268,135,576</b>	<b>\$265,973,538</b>
Full-time Equivalent Total*	1,938.35	1,935.35	1,948.35	1,948.35

\* 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.

## 2013 Proposed Budget - Expenditure by Category



## Budget Overview

The Seattle Police Department's (SPD) 2013-2014 Proposed Budget reflects the Mayor's commitment to protecting public safety and reforming SPD even in the midst of the City's on-going General Fund budget constraints. In developing the 2013-2014 Proposed Budget, the Mayor worked closely with SPD to: 1) evaluate its progress in meeting the public safety outcome objectives defined in the Neighborhood Policing Plan (NPP); 2) implement the goals and policies of the 20/20 Plan and the DOJ settlement agreement; 3) address departmental data, video, and analysis capacity, 4) preserve services for critical populations, 5) provide adequate parking enforcement in the wake of expanded services and increased construction, and 6) ensure the resources necessary for the operation of a Citywide Common Operating Picture and Situational Awareness System. As a result of this work, the 2013-2014 Proposed Budget provides the funding and or authorities necessary to accomplish the following tasks:

- Hire 10 new officers;
- Install an Automated Gunfire Locator System;
- Implement the DOJ Settlement Agreement;

# Seattle Police Department

- Enhance SPD crime analysis capabilities;
- Improve access to in-car video by replacing Video Mobile Data Terminals and hire a video specialist to assist with video requests;
- Expand parking services and maintain enforcement levels;
- Increase funding for the Center City Initiative;
- Provide continued support for mental health professional program;
- Add a full-time Victim Advocate to preserve existing services;
- Implement a Common Operating Picture system to facilitate information sharing among multiple agencies; and,
- Continue research for implementing a Body Mounted Video Pilot.

## Investing Resources to Enhance Public Safety - Hiring More Police Officers and Investing in Technology

Halfway through 2012, SPD continues to meet or exceed all of the outcome objectives identified in the NPP. The table below shows how SPD is doing at meeting each of the three stated goals of the NPP.

	<b>NPP Goal</b>	<b>Actual Results through June</b>	<b>As Compared to the NPP Goal</b>
Priority 1 Call Response Time	7 minutes or less	6.8 minutes	Exceeding Goal
Average Proactive Time Available	30% of On-Duty Time	30% of On-Duty Time	Meeting Goal
Increased Number of Back-Up Vehicles	10 Units Citywide	10 Units Citywide	Meeting Goal <sup>1</sup>

<sup>1</sup> SPD lacks a direct measure of units free. However, indirect evidence is available. Out-of-district dispatch of cars occurs less than 8% of the time which contrasts to 15-10% of out-of-district dispatch prior to NPP implementation. The Department feels that this is evidence that it is meeting the standard most of the time.

Through its flexible and adaptive approach to allocating staff resources, SPD is putting officers where they are needed most to fight, and more importantly, prevent crime. The Department's focus on 911 response is allowing it to continue to meet the NPP response time metrics. SPD has consistently achieved its average response time objective of 7 minutes or less since 2009. The Department's best average response time - at less than 6 minutes - came in mid-2010, as SPD's sworn ranks reached its peak levels. While still within the 7 minute objective, average response times began approaching the 7 minute mark in mid-2012. SPD responded by redeploying officers from lower priority functions to patrol in order to keep the response times within the stated goal. For example, this summer the Department temporarily moved into patrol 18 officers from lower priority positions, like Precinct Desk Clerks, to help maintain response times during the busy summer months.

Recognizing that crime in Seattle is cyclical and often corresponds to seasonal shifts, the Department adjusts deployment to meet the growing demands during times when crime is known to increase. While crime and 911 calls for service typically rise in the summer by as much as 13%, in 2012, there were a number of high profile incidents earlier in the year which prompted SPD to increase its proactive patrols during late winter, spring, and continuing into the summer to reduce fear in the community and prevent further incidents from occurring. The patrols focused on "hot spots" or those areas of the city where violent crimes were occurring disproportionately to the rest of the city. These patrols have been primarily funded by overtime. Preliminary 911 call data suggests that SPD's immediate response to the rise in crime in the winter and spring has resulted in lower than average crime during the summer months.

SPD has placed a priority on meeting the NPP outcome measures even in the face of constrained resources. The original NPP plan called for the hiring of 105 additional police officers over a five-year span ending in 2012 under the premise that these additional officers were necessary to achieve the NPP outcomes. It is also important to note that the NPP contemplated the potential that budget challenges might require that these hiring plans be put on hold. Because SPD was meeting or exceeding the outcome measures identified in the NPP, as the City's General Fund struggled to recover from the Great Recession, the City decided to put on hold these hiring plans beginning in 2010.

## Seattle Police Department

As the General Fund budget challenges ease, the 2013-2014 makes an investment of \$981,435 to allow SPD to hire ten additional police officers in 2013. These additional positions will not only allow SPD to continue to meet or exceed the NPP outcomes, it will also help alleviate some of the overtime pressures on the SPD budget resulting from the increased emphasis patrols that have been activated in 2012 to respond to "hot spots".

Hiring these officers will bring the total number of sworn positions from 1,300 to 1,310. Decisions regarding the expansion of the police force beyond 1,310 will be evaluated in future years based on two important variables - how SPD is doing in meeting the NPP outcome measures and the ability of the General Fund to provide resources to support the expansion of the police force.

In addition to increasing patrol staffing, the 2013-2014 Proposed Budget adds funding to purchase, install, and maintain an automated gunfire locator system (AGLS) technology within the City of Seattle. Funding will allow SPD to install up to 52 gunshot locator units, each having a minimum 600-foot radius range and each having the ability to stream video. Overlapping coverage and expanded two mile radius coverage areas will enable SPD to create an automated gunshot locating network. Because the units are mobile, they can be moved to provide increased safety coverage for special events such as Torchlight, Bite of Seattle, and visiting dignitaries.

Use of this system puts Seattle on par with larger cities such as Boston and San Francisco which installed these systems in 2012 and Washington, DC which installed additional units after a successful 2008 pilot where use of an AGLS helped locate 62 victims of violent crime and aided in nine arrests. These units will aid in immediate deployment to 'shots fired' locations because they are able to communicate wirelessly or via city fiber optic cabling to a central command center and have the option to send alert data and video to authorized laptops within police vehicles. The units can determine if a gunshot has occurred within 4/10ths of a second, pinpoint the location to within a 50-foot radius, and determine the caliber of weapon that was fired with a 90% accuracy rate. To prevent deployment of officers by accident, the units can be set to differentiate between fireworks and car backfires.

Under the current system, a gunshot would require a 911 call to dispatch a patrol officer to the best identified location. That officer could spend undirected time driving around within a three to four block radius of the possible location in order to verify the nature and exact location of the call, to determine if there is a victim in need of assistance, and to attempt to locate evidence. Using a gunshot locator system, when a gun is fired the gunshot locator system pinpoints the location within seconds and plots it on a map. No 911 call would be required to dispatch officers to the scene. The acquired system will have the ability to point an integrated camera to the location of the gunshot and then stream video of the shooting location to responders or to a storage unit for investigative evidence. Seattle residents will have reduced fear of reprisal for being witnesses due to the availability of video evidence to corroborate witness statements and the police will have more accurate information and greater situational awareness to improve public safety.

### **Commitment to Police Reform - the 20/20 Plan and the DOJ Settlement Agreement**

For much of 2012, the Seattle Police Department has been engaged in efforts to reform and improve the way it delivers police services. The 2013-2014 Proposed Budget continues to expand upon the reform efforts already underway and provides additional funding to implement actions called for under the Settlement Agreement reached between the Department of Justice (DOJ) and the City of Seattle.

In March of 2012, the Seattle Police Department undertook implementation of the SPD 20/20: A Vision for the Future Plan (20/20). The Plan is a comprehensive package of new reform initiatives for the Seattle Police Department, with the goal of supporting a just and effective police force. These reforms fall under five major categories:

- Protecting Constitutional Rights;
- Training for Seattle's Values;
- Earning Public Trust;
- Using Data-Driven Practices; and,
- Partnering with the Public.

## Seattle Police Department

Concurrent to the implementation of the 20/20 Plan, Seattle leaders were engaged in discussions with the DOJ regarding concerns about use of force, biased policing, and related issues. On July 27, 2012, the DOJ and the City reached a comprehensive settlement agreement to ensure that police services are delivered in a manner that fully complies with the Constitution and laws of the United States. The agreement is embodied in two documents: (1) a Settlement Agreement and Stipulated Order of Resolution overseen by a monitor and the United States District Court; and (2) a Memorandum of Understanding (MOU) enforced by the parties with community oversight.

The key elements of the Settlement Agreement include:

- New policies, procedures and increased oversight of officer use of force;
- Adequate sergeant staffing to ensure that use of force reporting and review requirements are met;
- Revisions to policies and training regarding bias-free policing and stops and detentions;
- Continued crisis intervention training to address individuals with mental illness, substance abuse, or a behavioral crisis, and expanded tracking and review of these interactions;
- As needed adjustment of the Early Intervention System threshold levels, and expanded review of supervisor, precinct, squad, and unit trends; and,
- Appointment of a third-party to monitor compliance with the agreement requirements.

The Settlement Agreement and MOU also create the Community Police Commission (CPC), a community board appointed by the Mayor and confirmed by the City Council charged with reviewing and providing recommendations on certain areas of reform that are best assessed with community input. SPD, in conjunction with the CPC, will address the following topics:

- Community Engagement;
- Accountability;
- Transparency and Public Reporting;
- Investigatory Stops and Data Collection; and,
- Officer Assistance and Support.

The CPC may make recommendations to the City on any changes to SPD policies, practices, or training in these areas.

Also pursuant to the MOU, SPD will convene an inter-agency Crisis Intervention Committee (CIC). The CIC will serve as a problem-solving forum to evaluate and develop training, policies and procedures relating to individuals in crisis.

The Settlement Agreement and the MOU lay out a framework for certain reforms. While work has already begun to implement these agreements, the full scope of the costs will not be known until the Monitor and the CPC are in place and their work plans have been agreed upon. As such, the 2013-2014 Proposed Budget holds in reserve sufficient funding to allow the City to fully implement the terms of the agreement with the DOJ. As the specific cost elements are defined and agreed to by the monitor and the CPC, the funds will be appropriated.

In the meantime, SPD continues to implement the reform effort begun under the 20/20 plan. These efforts include a number of measures - such as the establishment and use of the Force Review Board (FRB) and Force Investigation Teams (FITs), enhancements to the EIS system, and CIT training - which are now required by the Settlement Agreement as well. SPD has also made significant progress in: 1) clarifying internal policy and procedures related to ethics, policing practices, and officer accountability; 2) training supervisors to comply with the Race & Social Justice Initiative; and 3) increasing community outreach and involvement through the use of Living Room Conversations and Donut Dialogues, an expanded SPD Citizens Academy, and summer youth programs.

### **Increase of Data Analysis Capacity and In-Car Video Support**

In January 2012, the City Auditor released findings of a study of SPD's data analysis capabilities. This study found SPD was in a good position to take its crime analysis function "to the next level" and recommended the following:

## Seattle Police Department

- Make more sophisticated use of data;
- Prioritize the continuity and skill level of crime analysis staff and leadership;
- Optimize the use of software tools; and,
- Automate routine reports.

The 2013-2014 Proposed Budget includes funding to continue efforts begun in 2012 to enhance SPD's crime analysis capabilities, including the addition of an IT professional to develop and support data applications and funding for a consultant to assist in the creation of data sets for the development of data driven policing policies. This position also provides support for the Early Intervention System, which aids the Office of Professional Accountability (OPA) by providing early identification of employees who demonstrate potential symptoms of job-related stress, training deficiencies, or personal problems that affect safety or job performance. If identified for early intervention, OPA offers various assistance strategies that are tailored to address the specific issues affecting the employee. This data system enables OPA to provide consistent and transparent oversight of officer actions.

In addition, the Proposed Budget adds funding to continue a Strategic Advisor specializing in criminology and data analysis to provide needed analytical and technical expertise and leadership to the data driven policing programs. This position is necessary to keep data driven policing operationally viable and provide operational, data and analytic expertise to crime analysts. Recent studies show that data driven policing improves the efficiency of crime response and the patrol officers' ability to proactively prevent crime. The result is that the Seattle Police Department will be more agile, responsive and efficient in deploying its officers.

In addition to the data analysis capabilities, the City Auditor reviewed SPD's In-Car Video (ICV) Program. In June 2012, the City Auditor issued a report which found that the Department could improve the technical capacity to create, transfer, and store recordings, as well as improve its ability to quickly and efficiently locate videos on request. The Proposed Budget addresses this need in two ways: the replacement of the Video Mobile Data Terminals (VMDTs) and the addition of a Video Specialist II to assist with video public disclosure requests.

SPD has been utilizing in-car Mobile Data Terminals (MDTs) for over 20 years to aid in police enforcement and 911 responses. MDTs provided a means to distribute emergency dispatch information and system-wide instruction to officers in the field. Officers also had the ability to conduct investigatory searches and complete some reports in the field. Within the last ten years, the functional requirements of the MDT increased as cameras were installed on all marked police vehicles requiring the digital capture and storage of video footage and the transfer of data to secure data servers. In 2007, after nearly seven years of operating separate dispatch and video computer systems in police vehicles, SPD upgraded the MDTs with a Video Mobile Data Terminal to integrate the dispatch and video systems into one central terminal.

After five years of continuous operations, the current VMDT terminals have exceeded their recommended replacement life span. The manufacturer's warranty has expired and replacement parts are increasing difficult to locate. Additionally, the current VMDTs will not meet Federal Bureau of Investigation requirements for data searches beginning in September 2013. This could detrimentally impact officers' ability to conduct background searches in the field.

Another important benefit of purchasing new VMDTs is the enhanced ability to store, search and retrieve electronic records. This ability is crucial as the Department faces an ever increasing demand for electronic records. The Proposed Budget continues funding for video support staff that will be added in the latter part of 2012. The staff will assist with the increasing demand for video public disclosure requests.

### **Pay-by-Phone/Parking Enforcement Program Adds**

Over the past five years, Parking Enforcement responsibilities have increased resulting in less time available for enforcement duties. Changing parking regulations, implementation of the Scofflaw program, and the need to support other Police Department functions such as special event traffic control, have all taken time away from enforcing the City's parking regulations. Beginning in 2013, the Parking Enforcement Office will begin implementation of another program that will have a limiting effect on enforcement time - the Pay-by-Phone Program.

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Pay-by-Phone will provide citizens with the option to pay for parking with their telephones. Paying by phone, however, will not produce a visible receipt for placement in the vehicle. As a result, each time a Parking Enforcement Officer (PEO) encounters a vehicle without a parking receipt, he or she will have to communicate with a central server to verify if a driver used pay-by-phone to pay for parking. This additional step is estimated to add 30 seconds on average per checked vehicle to current enforcement practice, given the existing handheld ticketing devices (HHT) currently in use by Seattle's PEO force. In Vancouver, B.C., where they have newer model HHT's, Seattle Parking Enforcement staff observed connection and data receipt times adding as little as 10 seconds per checked vehicle. While these delays are minimal at the individual car level, citywide, the extra time will impact enforcement's overall ability to complete their routes as scheduled.

The 2013-2014 Proposed Budget takes a multi-faceted approach to maintain parking enforcement service levels by expanding the parking enforcement staffing level, upgrading handheld ticketing devices, and addressing deployment facility needs. The Proposed Budget adds 8.0 FTE PEOs and 1.0 FTE Parking Enforcement Supervisor. These adds will assist Parking Enforcement in providing services at the same level as in 2012 as well as handle expanded enforcement responsibilities along the Elliot Bay waterfront on Sundays due to increased construction.

Funding is provided to upgrade and replace all handheld ticketing devices as they have exceeded their replacement lifecycle. These replacements will enable Parking Enforcement to continue to efficiently and effectively enforce parking regulations while at the same time providing enhanced capabilities to minimize pay-by-phone delays. Funding is provided for a technology support position to assist with the replacement of the handheld ticketing devices, and provide continued support for deployment and on-going technology needs.

In order to accommodate the new staff and their equipment, funding is requested to upgrade a temporary facility for deployment north of the Ship Canal until a new North Precinct is constructed. Use of the temporary facility, as opposed to the downtown Park 90-5 location, reduces commuting times for PEOs assigned to the University District, Ballard and Fremont by up to 45 minutes per day. It is estimated that Parking Enforcement will use this facility until such time that the North Precinct is complete or another permanent north location is identified and that the minimal costs to upgrade for additional deployment are offset by the time saved by deploying closer to assigned areas. Funds will be used to install a security fence, add extra lockers and provide additional computers and desks. This upgrade will increase deployment from this location from 6 PEOs to 13 PEOs.

### **Support for the Center City Initiative**

The Mayor's Center City Initiative (CCI) utilizes a new approach to address street disorder and support the health and vitality of downtown neighborhoods. The CCI Outreach and Engagement Team will offer access to services and interventions for individuals that may exhibit signs of mental health or substance abuse issues, aggressive or intimidating behavior, and apparent homelessness in Belltown, the Commercial Core, Pioneer Square and the Chinatown/International District. This Team will include collaborative participation and support from the Seattle Police Department (SPD), the Human Services Department (HSD), Metro Transit Police, the Washington State Department of Corrections (DOC), and the private sector to provide specific interventions that will most effectively address the issues.

The CCI will leverage both existing and new funding to increase SPD's Community Police Team (CPT) and Mountain Bike Patrol participation. The CPT uses the skills of one Sergeant and three officers, and the deployment of Department of Corrections' officers through the existing Neighborhood Corrections Initiative. Unlike regular patrols, the CPT focuses on the long-term and often chronic problems specific to individual neighborhoods. They patrol many times a day, checking and re-checking known "hot spots". The Mountain Bike officers staff the majority of the Metropolitan Improvement District (MID) supplemental police services shifts (see below). Residents and business owners get to know and trust the officers, making it easier to work together to resolve and prevent problems.

Currently, the Downtown Seattle Association through the (MID) provides approximately \$150,000 annually to SPD and DOC to support supplemental police services which include emphasis patrols and corrections operations in downtown. These resources will be coordinated by the MID to support and interface with the CCI Outreach and Engagement Team in 2013. In addition, the Proposed Budget increases overtime funding to SPD to double the amount of emphasis in these key neighborhoods by the West Precinct.

## Seattle Police Department

To engage homeless individuals, HSD will deploy former homeless individuals as Peer-to-Peer Liaisons. Work under the supervision of an Outreach Case Manager and in collaboration with other CCI Outreach and Engagement Team members, the Liaisons will help identify and engage homeless people living in downtown streets or in places not suitable for human habitation. The Liaisons will be able to connect with individuals on a personal level and connect them to specialized and targeted services. The additional proactive police services funded in this initiative will also focus on contacting homeless and/or mentally ill individuals and connecting them to services via the new HSD outreach workers.

In addition, the Union Gospel Mission and the Metropolitan Improvement District will provide a designated mental health professional to provide fulltime daily services in downtown during the work week and connect individuals with significant mental health issues to appropriate services.

### **Preserving Funding for Mental Health Professional Services**

The Bureau of Justice Assistance (BJA) funded a pilot program with Seattle Police in 2011 pairing a Mental Health Professional (MHP) with a sworn SPD Crisis Intervention Team (CIT) response officer. The Downtown Emergency Service Center was contracted to provide the MHP, supervision, and ongoing mental health administration support.

The BJA grant funded CIT-MHP partnership project has significantly extended public safety services to a traditionally underserved population. Over 90% of all clients served through the partnership rely upon government financial support to meet basic needs. Further, the special skills offered by the MHP complement police services to meet the needs of those suffering from mental illness.

Initially, it was anticipated that the MHP would respond to persons-in-crisis in a reactive manner but SPD found that early intercept of escalating behavior was much more valuable and resulted in favorable outcomes. During the course of the program, MHP's focus shifted to follow-up work of cases routed from patrol, identifying individuals with concerning patterns of escalation, and identifying chronic callers to 911. Through outreach, collaboration with social service partners and clinical interventions, this position has significantly reduced 911 calls and patrol response. SPD estimates the MHP has reduced demand for emergency resources by 1,852 hours freeing emergency response resources for other critical issues. This estimation was calculated by reviewing the responses directly handled by the MHP including resolutions of chronic callers, outreach, training and presentation hours, and patrol assistance where officers are released to regular duty and the MHP clears the case.

The MHP also improves cooperation between SPD and the social service and mental health care communities by streamlining communication between mental health providers and SPD and by intercepting and addressing escalating behavior before it results in incarceration.

Other work of the MHP includes providing expertise to develop training for SPD personnel working with persons suffering from mental illness, assisting with peer support services, and providing consultation at incidents involving the mentally ill.

In October 2012, the grant funding for this pilot project was discontinued. Funding to continue the services through the end of the year was absorbed by SPD. The Proposed Budget increases the funds to SPD to continue the services in 2013.

### **Preserving Victim Advocacy Services**

Since 1998, SPD has partnered with the Solid Ground JustServe program to improve public safety by engaging AmeriCorps volunteers in victim response efforts. These positions provided early intervention and emergency resources (such as cell phones, motel vouchers and locksmith services) and information about the criminal justice system such as court orders, offender release information and notification to victims of crimes. They also assisted victims with social service benefits such as Crime Victims Compensation and with locating and securing emergency shelter services. Often times these volunteers served as the first point of contact for domestic violence victims who came to the SPD Headquarters building seeking assistance.

## Seattle Police Department

Funding associated with this interagency agreement had been provided by an AmeriCorps grant with a General Fund match. In 2001, SPDs budget was increased by \$80,000 for the funding match necessary to maintain these services.

In 2012, SPD was notified that Solid Ground would be discontinuing JustServe AmeriCorps program and the interagency agreement between SPD and Solid Ground would sunset per the contract on August 31, 2012. The termination of this contract means that the General Fund support that had been dedicated to this program can be redirected to fund an additional full-time Victim Advocate position in SPD. This addition preserves the existing structure of Victim Services Team and enables SPD to maintain critical direct services to domestic violence victims to combat the increased rate and degree of domestic violence in Seattle. Currently, 39% of all reported cases of aggravated assaults are domestic violence.

### **Completing the Common Operating Picture System**

The Seattle Police Department received two federal Urban Area Security Initiative (UASI) grants totaling \$2.3 million to purchase and implement a Common Operating Picture and Situational Awareness System. This system, to be completed in early 2013, will be used by Seattle Public Utilities, City Light, Transportation, Fire and Police to coordinate incident response and public safety related events. By using data from existing departmental systems like Computer Aided Dispatch (CAD), Automatic Vehicle Location (AVL), and Street Closures, City officials will be given a tactical view of incident and event response. The Common Operating Picture system allows participating departments to view, filter, analyze, share, and transmit relevant data and information to appropriate decision makers. Departments will share information about incidents and events, demands for service, and current resources and capacities to better determine the best course of action.

This system will be useful in daily operations and essential during major incidents. During day-to-day operations, partnering City departments will have the ability to monitor specific details from fellow departments that may impact their areas of responsibility. During an emergency or large scale event, the Common Operating Picture has an Incident Command System (ICS) component that integrates separate departments into a single unified command structure with a single point of reference and information. The system would have been a valuable resource during the winter storm in January 2012 to view street closures, power outages, resource allocation, emergency response, and critical events by all five departments concurrently. Historically, this information has not been available concurrently and was communicated using inefficient and unreliable manual processes which may not be available in emergencies.

SPD, as the lead agency, is assigned with operational deployment and technical support of the application and will provide an existing sworn officer position to coordinate the operational deployment. The Proposed Budget adds a technical support position as the technology behind this system requires senior level technical expertise to coordinate multiple departments and data systems. The Department of Information Technology Proposed Budget increases rates to recapture costs of maintaining the private cloud housing the servers. Seattle Public Utilities and Seattle City Light will contribute funding to the General Fund to offset \$111 thousand of the expenditures.

### **Body Mounted Video Pilot**

The City is committed to conducting a pilot program to test the use of body mounted video cameras for police officers in 2013. Attempts have been made in 2012 to identify and overcome barriers of the State Privacy Act and the City's Police Intelligence ordinance, and negotiate with the Seattle Police Officers Guild to the extent necessary to implement the pilot program. If these issues are resolved, SPD will be able to complete a pilot program to gauge the durability, quality, utility, and effectiveness of body cameras in everyday field deployment as well as available systems to store, manage, and retrieve, video data, while conforming to the State Privacy Act, State Public Disclosure Laws, and SPOG negotiations during 2013.

The Department has maintained a project steering committee and drafted a charter and protocols to help guide the process and provide immediate support should the Department resolve all impending barriers. To date, SPD has tested one camera in simulated police situations at its training facility. Cost estimates for this project will be addressed upon completion of the pilot program in 2013

# Seattle Police Department

## Incremental Budget Changes

Seattle Police Department	2013		2014	
	Budget	FTE	Budget	FTE
<b>Total 2012 Adopted Budget</b>	<b>\$ 252,217,249</b>	<b>1,935.35</b>	<b>\$ 252,217,249</b>	<b>1,935.35</b>
<b>Baseline Changes</b>				
Citywide Adjustments for Standard Cost Changes	\$ 5,129,087	0.00	\$ 10,999,834	0.00
Salary and Benefit Adjustments	-\$ 672,684	0.00	-\$ 1,556,283	0.00
<b>Proposed Policy Changes</b>				
Fund Ten Additional Police Officers Positions	\$ 981,435	0.00	\$ 1,159,305	0.00
Increase of Data Analysis and In-Car Video Support	\$ 397,763	0.00	\$ 406,874	0.00
Replacement and Upgrade of Video Mobile Data Terminals (VMDT) in Police Vehicles	\$ 4,914,274	1.00	\$ 436,128	1.00
Automated Gunfire Locator System and Technical Support	\$ 750,000	1.00	\$ 207,060	1.00
Center City Initiative Outreach & Engagement Teams	\$ 150,000	0.00	\$ 150,000	0.00
Preserve Mental Health Professional Partnership Funding	\$ 67,000	0.00	\$ 67,000	0.00
Preserve Victim Advocate Services	\$ 0	1.00	\$ 0	1.00
Pay-by-Phone/Parking Enforcement Program Adds	\$ 1,484,394	10.00	\$ 999,397	10.00
Replacement and Upgrade of Hand-held Ticketing Devices in Parking Enforcement	\$ 1,500,000	0.00	\$ 177,480	0.00
Common Operating Picture System	\$ 279,457	1.00	\$ 283,244	1.00
AFIS Program Adjustments	-\$ 157,109	-1.00	-\$ 160,794	-1.00
Reimbursement of Trainee Costs to Washington State Criminal Justice Training Center (WSCJTC)	\$ 116,250	0.00	\$ 162,750	0.00
SPD Parking Enforcement Overtime Funding for Street Sweeping Pilot	\$ 0	0.00	\$ 40,000	0.00
<b>Proposed Technical Changes</b>				
Final Citywide Adjustments for Standard Cost Changes	\$ 951,448	0.00	\$ 25,593	0.00
Move Public Affairs and Digital Communications to Chief of Police	\$ 0	0.00	\$ 0	0.00
Baseline Correction for Red Light Camera Operation	\$ 303,758	0.00	\$ 354,901	0.00
Technical Adjustments	-\$ 276,746	0.00	\$ 3,800	0.00
<b>Total Incremental Changes</b>	<b>\$ 15,918,327</b>	<b>13.00</b>	<b>\$ 13,756,289</b>	<b>13.00</b>
<b>2013 - 2014 Proposed Budget</b>	<b>\$ 268,135,576</b>	<b>1,948.35</b>	<b>\$ 265,973,538</b>	<b>1,948.35</b>

# Seattle Police Department

## Description of Incremental Budget Changes

### Baseline Changes

#### **Citywide Adjustments for Standard Cost Changes - \$5,129,087**

Citywide technical adjustments made in the "Baseline Phase" reflect changes due to inflation, central cost allocations, retirement, health care, workers' compensation, and employment costs. These adjustments reflect initial assumptions about these costs and inflators early in the budget process.

#### **Salary and Benefit Adjustments - (\$672,684)**

Baseline changes in salary and benefit accounts capture cost of living adjustments to overtime and changes in the termination pay and turnover savings calculations. This incremental change also includes a funding adjustment for an Information Technology reclassification approved in 2012.

### Proposed Policy Changes

#### **Fund Ten Additional Police Officers Positions - \$981,435**

The 2013-2014 Proposed Budget adds funding for SPD to recruit, train, and deploy ten additional police officers that will be dedicated to 911 response. Funding includes the one-time costs of recruitment and training as well as funding for three new patrol vehicles. These recruits will enter the academy along with recruits for attrition hiring with the goal of having an average of 1,310 patrol officers by the end of 2013.

#### **Increase of Data Analysis and In-Car Video Support - \$397,763**

The Proposed Budget adds three new positions and funding to: 1) expand SPD's capacity for video data handling and storage; 2) respond to public disclosure requests, and 3) increase use of data analysis to create data-driven policing strategies. These additions will address the deficiencies noted for SPD's In-car Video program and data capabilities by the Seattle City Auditor.

#### **Replacement and Upgrade of Video Mobile Data Terminals (VMDT) in Police Vehicles - \$4,914,274/1.00 FTE**

Funding is provided to replace and upgrade the Video Mobile Data Terminals in all Police vehicles. New terminals will improve data encryption and increase data retrieval capability necessary to perform data searches and transfers in a secure and efficient manner.

#### **Automated Gunfire Locator System and Technical Support - \$750,000/1.00 FTE**

Funding is provided to purchase, install, and maintain Automated Gunfire Locator System (AGLS) technology to allow law enforcement to quickly identify and pinpoint reported and unreported gunfire. The Proposed Budget includes funding for: 1) the purchase and upgrade of equipment to provide two mile radius coverage per unit; 2) program implementation and training of SPD staff; and 3) on-going maintenance. Funding is provided for one IT Professional B position to provide fulltime application and video support for the new system.

#### **Center City Initiative Outreach and Engagement Teams - \$150,000**

The Proposed Budget provides funding to SPD for increased patrols by the Community Police Team to meet the goals of the Center City Initiative. This funding will provide an additional 2300 hours of overtime for patrols in the center city areas.

# Seattle Police Department

## **Preserve Mental Health Professional Partnership Funding - \$67,000**

Due to the discontinuance of a grant from the Bureau of Justice Assistance in October 2012, the Proposed Budget increases the appropriation to SPD to continue a contract with the Downtown Emergency Service Center for the fulltime services of a mental health professional who provides ongoing support to the Crisis Intervention Response Team. Costs cover the benefits and salary of one position that reports directly to SPD. If approved, mental health services will remain uninterrupted.

## **Preserve Victim Advocate Services/1.00 FTE**

The Proposed Budget adds 1.0 FTE Victim Advocate authority to continue the work of the discontinued JustServe AmeriCorps Program. This position provides support for domestic violence response to address the growing need for direct victim services in this area. Funding for this position is provided by shifting funding from the contractual service account to salary accounts.

## **Pay-by-Phone/Parking Enforcement Program Adds - \$1,484,394/10.00 FTE**

Due to the implementation of the pay-by-phone program, increased emphasis on citizen education, and new enforcement regulations for waterfront parking on Sundays, eight new PEOs and one PEO supervisor are requested for Parking Enforcement. These positions will be deployed to areas impacted most by the use of pay-by-phone. Included in the funding request are resources to upgrade the northern area dispatch location to enable additional staff to be deployed from a location closer to their routes. The current facility lacks the secure parking capacity, lockers, and technological capacity to accommodate additional staff. Also included is funding and staff for technological support to assist with the replacement of the handheld ticketing devices and provide continued support to Parking Enforcement.

## **Replacement and Upgrade of Hand-held Ticketing Devices in Parking Enforcement - \$1,500,000**

The Proposed Budget includes funding to upgrade and replace all handheld ticketing devices in Parking Enforcement as the current devices have exceeded their replacement lifecycle. These replacements will enable Parking Enforcement to continue to efficiently and effectively enforce parking regulations. The new devices will also assist in the implementation of the new pay-by-phone program.

## **Common Operating Picture System - \$279,457/1.00 FTE**

The Proposed Budget funds the operation of the Common Operating Picture System (COP) for Fire, Police, Public Utilities, City Light, and Transportation. This adjustment includes authority and funding for an Information Technology Professional B to provide the technical support to all departments engaged in COP. Funding is also added for the ongoing maintenance of the COP System, application and GIS support from Seattle Public Utilities, and server maintenance from the Department of Information Technology.

## **AFIS Program Adjustments - (\$157,109)/(1.00) FTE**

In July 2012, King County adopted the Regional Automated Fingerprint Identification System (AFIS) Operations and Levy Plan 2013-2018 which reduces funding to SPD by \$157,109. Adjustments to SPD's AFIS Program include a 50% reduction of overtime funding, 100% reductions of vehicle and equipment funding and for the elimination of an Identification Technician and an Identification Data Specialist. These positions are currently vacant. The new plan adds a Latent Print Examiner to respond to increasing workload, backlog, and new accreditation standards.

## **Reimbursement of Trainee Costs to Washington State Criminal Justice Training Center (WSCJTC) - \$116,250**

In 2011, the State of Washington amended RCW 43.101.200 to increase the reimbursement rate charged to local jurisdictions by the Washington State Criminal Justice Training Center (WSCJTC) for training of new personnel from 0% to 25% of the cost of attendance. The Proposed Budget provides SPD with \$116,250 to train 30 Police Officers for the attrition hiring that are expected to enter the WSCJTC in 2013. WSCJTC costs associated with the 10 additional officers added in the 2013-2014 Proposed Budget are provided as a part of that funding line item.

# Seattle Police Department

## **SPD Parking Enforcement Overtime Funding for Street Sweeping Pilot**

This adjustment provides \$40,000 in overtime funding in 2014 for the Parking Enforcement Division to provide staff for parking compliance for Seattle Public Utility's parking enforcement street sweeping pilot, which is expected to commence in 2014. PEOs will ensure that vehicles are not parked in street sweeping areas during posted times to ensure that street sweeping vehicles can continuously sweep along curbing. While there is expected citation revenue, complete revenue estimates will not be developed until the parking compliance strategy is completed during 2013.

## **Proposed Technical Changes**

### **Final Citywide Adjustments for Standard Cost Changes - \$951,448**

Citywide technical adjustments made in the "Proposed Phase" reflect changes due to inflation, central cost allocations, retirement, health care, workers' compensation, and unemployment costs. These adjustments typically reflect updates to preliminary cost assumptions established in the "Baseline Phase."

### **Move Public Affairs and Digital Communications to Chief of Police**

The Proposed Budget moves the Public Affairs Office from Community Outreach to the Chief of Police. It will transfer Media Relations and Digital Communications into one unit with direct report to the Chief of Police. This movement does not affect the funding or service level of SPD.

### **Baseline Correction for Red Light Camera Operation - \$303,758**

In 2012, SPD was funded to install 8 fixed school zone cameras and 6 red light cameras. The funding for the operation of these cameras was based on an installation timeline of 3, 6 and 9 months of operation. This adjustment adds funding to operate these cameras for a full 12 months and takes into consideration any savings associated with potential delays in operation and funding previously provided for installation

### **Technical Adjustments - (\$276,746)**

Technical adjustments in the Proposed Budget include departmental and citywide non-programmatic adjustments that do not represent fundamental changes in SPD's service delivery. Departmental technical adjustments include moving funding from patrol operations to Education and Training to support police hiring efforts. These moves are done annually to provide funding for police recruits. It also realigns funding for benefits and medical costs among SPD Programs for consistent tracking of expenditures. Judgment and Claims funding was reduced by \$276,246 due to decreased estimates in judgment payouts in 2013.

# Seattle Police Department

## Expenditure Overview

Appropriations	Summit Code	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Chief of Police Budget Control Level	P1000	13,978,982	2,630,088	3,277,294	3,369,637
Criminal Investigations Administration Budget Control Level	P7000	22,626,437	7,654,533	7,887,647	8,134,776
Deputy Chief of Staff Budget Control Level	P1600	24,562,014	25,019,364	25,343,637	26,330,966
Deputy Chief Operations Budget Control Level	P1800	861,660	2,394,578	2,300,611	2,332,794
East Precinct Budget Control Level	P6600	17,225,272	22,599,153	22,727,234	22,956,580
Field Support Administration Budget Control Level	P8000	37,766,928	34,558,254	42,730,151	39,294,528
Narcotics Investigations Budget Control Level	P7700	4,380,917	4,792,948	4,699,005	4,749,243
North Precinct Patrol Budget Control Level	P6200	28,909,539	31,041,149	30,680,094	31,075,723
Office of Professional Accountability Budget Control Level	P1300	1,796,484	1,874,266	1,942,822	1,971,424
Patrol Operations Administration Budget Control Level	P6000	1,398,365	1,294,543	1,303,715	1,315,411
South Precinct Patrol Budget Control Level	P6500	30,147,262	16,516,477	16,582,146	16,721,206
Southwest Precinct Patrol Budget Control Level	P6700	22,469,943	14,979,145	15,011,148	15,100,679
Special Investigations Budget Control Level	P7800	0	4,133,101	4,298,866	4,338,182
Special Operations Budget Control Level	P3400	40,202,777	40,733,160	47,293,227	45,772,714
Special Victims Budget Control Level	P7900	5,818,488	6,176,786	6,249,193	6,333,699
Violent Crimes Investigations Budget Control Level	P7100	6,700,359	6,799,355	7,397,344	7,465,891
West Precinct Patrol Budget Control Level	P6100	410,060	29,020,348	28,411,442	28,710,085
<b>Department Total</b>		<b>259,255,489</b>	<b>252,217,249</b>	<b>268,135,576</b>	<b>265,973,538</b>
<b>Department Full-time Equivalent Total*</b>		<b>1,938.35</b>	<b>1,935.35</b>	<b>1,948.35</b>	<b>1,948.35</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 Police Department

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

### Chief of Police Budget Control Level

The purpose of the Chief of Police Budget Control Level is to lead and direct department employees and to provide policy guidance and oversee relationships with the community, so the department can provide the City with professional, dependable, and respectful public safety services. All public safety grants are located in this Budget Control Level.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Chief of Police	13,978,982	2,630,088	3,277,294	3,369,637
<b>Total</b>	<b>13,978,982</b>	<b>2,630,088</b>	<b>3,277,294</b>	<b>3,369,637</b>
Full-time Equivalents Total*	45.75	40.00	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.

### Criminal Investigations Administration Budget Control Level

The purpose of the Criminal Investigations Administration Budget Control Level is to provide oversight, policy guidance, and technical support so investigative personnel can execute their job duties effectively and efficiently. The program includes the Internet Crimes against Children and Human Trafficking section and the Crime Gun Initiative analyst.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Criminal Investigations Administration	22,626,437	7,654,533	7,887,647	8,134,776
<b>Total</b>	<b>22,626,437</b>	<b>7,654,533</b>	<b>7,887,647</b>	<b>8,134,776</b>
Full-time Equivalents Total*	77.60	72.50	71.50	71.50

\* 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.

### Deputy Chief of Staff Budget Control Level

The purpose of the Deputy Chief of Staff Budget Control Level is to oversee the organizational support as well as financial, policy, and legal functions of the Department to help achieve its mission. The Deputy Chief of Staff Budget Control Level includes the Chief of Administration who oversees the Records and Files, Data Center, and Public Request Programs, which had been their own Budget Control Levels in prior budgets.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Deputy Chief of Staff	24,562,014	25,019,364	25,343,637	26,330,966
<b>Total</b>	<b>24,562,014</b>	<b>25,019,364</b>	<b>25,343,637</b>	<b>26,330,966</b>
Full-time Equivalents Total*	116.00	113.60	112.60	112.60

\* 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 Police Department

## Deputy Chief Operations Budget Control Level

The purpose of the Deputy Chief Operations Budget Control Level is to oversee the operational functions of the Department so the public receives public safety services that are dependable, professional, and respectful. The Deputy Chief Operations Budget Control Level oversees the five Precincts and associated personnel.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Deputy Chief Operations	861,660	2,394,578	2,300,611	2,332,794
<b>Total</b>	<b>861,660</b>	<b>2,394,578</b>	<b>2,300,611</b>	<b>2,332,794</b>
Full-time Equivalents Total*	5.00	17.00	14.00	14.00

\* 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.

## East Precinct Budget Control Level

The purpose of the East Precinct Budget Control Level is to provide the full range of public safety and order maintenance services to residents of, and visitors to, the East Precinct, so they can be safe in their homes, schools, businesses, and the community at large.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
East Precinct	17,225,272	22,599,153	22,727,234	22,956,580
<b>Total</b>	<b>17,225,272</b>	<b>22,599,153</b>	<b>22,727,234</b>	<b>22,956,580</b>
Full-time Equivalents Total*	188.00	188.00	188.00	188.00

\* 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.

## Field Support Administration Budget Control Level

The purpose of the Field Support Administration Budget Control Level is to provide policy direction and guidance to the employees and programs in the Department, so they can execute their responsibilities effectively and efficiently. The Field Support Administration Budget Control Level now includes the Communications, Information Technology and Human Resources Programs, which were separate Budget Control Levels in prior budgets.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Field Support Administration	37,766,928	34,558,254	42,730,151	39,294,528
<b>Total</b>	<b>37,766,928</b>	<b>34,558,254</b>	<b>42,730,151</b>	<b>39,294,528</b>
Full-time Equivalents Total*	290.00	274.25	278.25	278.25

\* 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.

## Seattle Police Department

### **Narcotics Investigations Budget Control Level**

The purpose of the Narcotics Investigations Budget Control Level is to apply a broad range of professional investigative skills to interdict narcotics activities affecting the community and region to hold offenders involved in these activities accountable and to promote public safety.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Narcotics Investigations	4,380,917	4,792,948	4,699,005	4,749,243
<b>Total</b>	<b>4,380,917</b>	<b>4,792,948</b>	<b>4,699,005</b>	<b>4,749,243</b>
Full-time Equivalents Total*	32.00	33.00	33.00	33.00

*\* 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 Patrol Budget Control Level**

The purpose of the North Precinct Patrol Budget Control Level is to provide the full range of public safety and order maintenance services to residents of, and visitors to, the North Precinct, so that they can be safe in their homes, schools, businesses, and the community at large.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
North Precinct Patrol	28,909,539	31,041,149	30,680,094	31,075,723
<b>Total</b>	<b>28,909,539</b>	<b>31,041,149</b>	<b>30,680,094</b>	<b>31,075,723</b>
Full-time Equivalents Total*	255.00	254.00	254.00	254.00

*\* 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 Professional Accountability Budget Control Level**

The purpose of the Office of Professional Accountability Budget Control Level is to help to provide oversight so that complaints involving department employees are handled in a thorough, professional, and expeditious manner, to retain the trust and confidence of employees and the public.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Office of Professional Accountability	1,796,484	1,874,266	1,942,822	1,971,424
<b>Total</b>	<b>1,796,484</b>	<b>1,874,266</b>	<b>1,942,822</b>	<b>1,971,424</b>
Full-time Equivalents Total*	12.00	13.00	13.00	13.00

*\* 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 Police Department

## Patrol Operations Administration Budget Control Level

The purpose of the Patrol Operations Administration Budget Control Level is to provide oversight and direction to Patrol Operations, including the Department's five precincts, with the goal of ensuring that personnel are properly trained, supervised, and equipped to perform their jobs effectively.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Patrol Operations Administration	1,398,365	1,294,543	1,303,715	1,315,411
<b>Total</b>	<b>1,398,365</b>	<b>1,294,543</b>	<b>1,303,715</b>	<b>1,315,411</b>
Full-time Equivalents Total*	9.00	9.00	9.00	9.00

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

## South Precinct Patrol Budget Control Level

The purpose of the South Precinct Patrol Budget Control Level is to provide the full range of public safety and order maintenance services with the goal of keeping residents of, and visitors to, the South Precinct, safe in their homes, schools, businesses, and the community at large.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
South Precinct Patrol	30,147,262	16,516,477	16,582,146	16,721,206
<b>Total</b>	<b>30,147,262</b>	<b>16,516,477</b>	<b>16,582,146</b>	<b>16,721,206</b>
Full-time Equivalents Total*	137.00	137.00	137.00	137.00

\* 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.

## Southwest Precinct Patrol Budget Control Level

The purpose of the Southwest Precinct Patrol Budget Control Level is to provide the full range of public safety and order maintenance services to residents of, and visitors to, the Southwest Precinct, so they can be safe in their homes, schools, businesses, and the community at large.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Southwest Precinct Patrol	22,469,943	14,979,145	15,011,148	15,100,679
<b>Total</b>	<b>22,469,943</b>	<b>14,979,145</b>	<b>15,011,148</b>	<b>15,100,679</b>
Full-time Equivalents Total*	120.50	126.00	126.00	126.00

\* 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 Police Department

### Special Investigations Budget Control Level

The purpose of the Special Investigations Budget Control Level is to apply a broad range of professional investigative and analytical skills toward investigating and interdicting vehicle theft, fraud, forgery, and financial exploitation cases; vice crimes and organized crime activities in the community; and toward identifying and describing crime patterns and trends with the goals of holding offenders involved in these activities accountable and to provide public safety. This Budget Control Level also houses the department's emergency management functions.

Program Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Special Investigations	0	4,133,101	4,298,866	4,338,182
<b>Total</b>	<b>0</b>	<b>4,133,101</b>	<b>4,298,866</b>	<b>4,338,182</b>
Full-time Equivalents Total*	30.00	31.00	31.00	31.00

*\* 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.*

### Special Operations Budget Control Level

The purpose of the Special Operations Budget Control Level is to deploy specialized response units in emergencies and disasters. The Bureau provides crowd control, special event, search, hostage, crisis, and water-related support to monitor and protect critical infrastructure to protect lives and property, aid the work of uniformed officers and detectives, and ensure the safety of the public.

Program Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Special Operations	40,202,777	40,733,160	47,293,227	45,772,714
<b>Total</b>	<b>40,202,777</b>	<b>40,733,160</b>	<b>47,293,227</b>	<b>45,772,714</b>
Full-time Equivalents Total*	288.50	293.00	302.00	302.00

*\* 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.*

### Special Victims Budget Control Level

The purpose of the Special Victims Budget Control Level is to apply a broad range of professional investigative skills to cases involving family violence, sexual assault, child and elder abuse, and custodial interference with the goals of holding offenders accountable, preventing additional harm to victims, and providing public safety.

Program Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Special Victims	5,818,488	6,176,786	6,249,193	6,333,699
<b>Total</b>	<b>5,818,488</b>	<b>6,176,786</b>	<b>6,249,193</b>	<b>6,333,699</b>
Full-time Equivalents Total*	51.00	51.00	52.00	52.00

*\* 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 Police Department

### **Violent Crimes Investigations Budget Control Level**

The purpose of the Violent Crimes Investigations Budget Control Level is to apply a broad range of professional investigative skills and crime scene investigation techniques to homicide, assault, robbery, bias crimes, missing persons, extortion, threat and harassment, and gang-related cases, in order to hold offenders accountable, prevent further harm to victims, and promote public safety.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Violent Crimes Investigations	6,700,359	6,799,355	7,397,344	7,465,891
<b>Total</b>	<b>6,700,359</b>	<b>6,799,355</b>	<b>7,397,344</b>	<b>7,465,891</b>
Full-time Equivalents Total*	48.00	52.00	52.00	52.00

*\* 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.*

### **West Precinct Patrol Budget Control Level**

The purpose of the West Precinct Patrol Budget Control Level is to provide the full range of public safety and order maintenance services to residents of, and visitors to, the West Precinct, so that they can be safe in their homes, schools, businesses, and the community at large.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
West Precinct Patrol	410,060	29,020,348	28,411,442	28,710,085
<b>Total</b>	<b>410,060</b>	<b>29,020,348</b>	<b>28,411,442</b>	<b>28,710,085</b>
Full-time Equivalents Total*	233.00	231.00	231.00	231.00

*\* 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.*



# Police Relief and Pension

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Dan Oliver, Executive Secretary

Department Information Line: (206) 386-1286

City of Seattle General Information: (206) 684-2489 TTY: (206) 615-0476

On the Web at: <http://www.seattle.gov/policepension/>



## Department Overview

On March 1, 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) Act Plan I. The City of Seattle Police Relief and Pension Fund is responsible for all pre-LEOFF pension benefits and that portion of the previous municipal police pension benefits that exceed LEOFF Plan I entitlements, including the pension benefits of their lawful beneficiaries, as well as for all medical benefits provided to qualifying active and retired Seattle police officers.

Both the Seattle Police Relief and Pension and LEOFF Plan I are closed systems and have not accepted new enrollments since October 1, 1977. Seattle police officers hired after this date are automatically enrolled in the State's LEOFF Plan II, for which the Seattle Police Pension Fund has no pension or medical benefit obligation.

The Seattle Police Pension Board, a seven-member quasi-judicial body chaired by the Mayor of Seattle or his/her designee, formulates policy, rules upon 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 not reflected in the City's position list.

The projections of annual pension and medical benefits, which comprise 98% of the total annual budget, are done by an independent actuary. Although the Police Pension Fund has statutory funding sources, the City's General Subfund provides funding for nearly all of the Pension Fund's annual budget. Proceeds from the Police Auction contribute a small amount toward the annual budget.

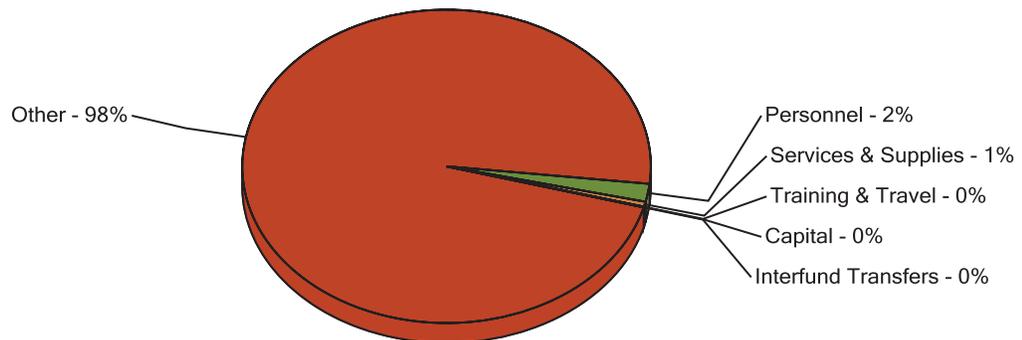
## Police Relief and Pension

### Budget Snapshot

Department Support	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
General Fund Support	\$20,696,542	\$21,312,128	\$18,987,071	\$18,557,893
Other Funding - Operating	\$0	\$873,216	\$800,230	\$801,176
<b>Total Operations</b>	<b>\$20,696,542</b>	<b>\$22,185,344</b>	<b>\$19,787,301</b>	<b>\$19,359,069</b>
<b>Total Appropriations</b>	<b>\$20,696,542</b>	<b>\$22,185,344</b>	<b>\$19,787,301</b>	<b>\$19,359,069</b>
Full-time Equivalent Total*	3.00	3.00	3.00	3.00

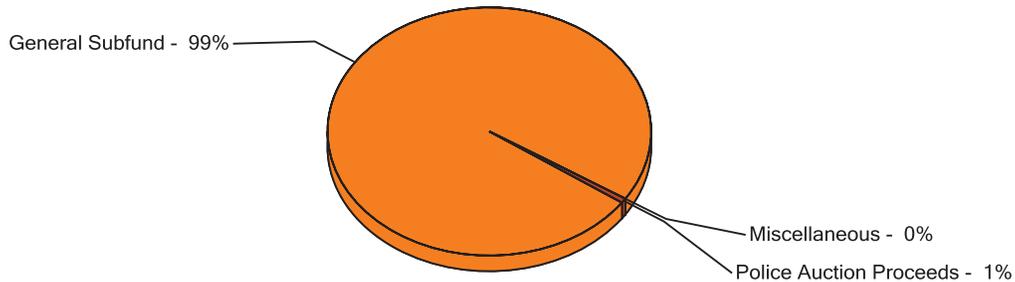
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### 2013 Proposed Budget - Expenditure by Category



## Police Relief and Pension

### 2013 Proposed Budget - Revenue by Category



### Budget Overview

The Police Relief and Pension Fund receives almost all of its revenue from the City's General Fund. The Police Pension Fund's expenditures, in turn, are devoted to paying legally mandated pension and medical benefits to eligible active and retired police officers and (with respect to pension benefits only) to their qualified beneficiaries.

The amount of General Fund support required for the Police Pension Fund in 2013 is about \$2.3 million less than in the 2012 Adopted Budget. There are three main reasons for the reduction.

First, the Police Pension Fund's actual 2011 ending fund balance was higher than anticipated. This was largely driven by higher than anticipated revenues into the fund, in addition to lower than anticipated expenditures for medical and pension payments in 2011. These one-time funds are available to partially offset the need for General Fund support in 2013 and 2014.

Second, updated projections of expenditures for medical benefits in 2013 and 2014 are lower than for 2012.

Third, total pension benefit amounts for 2013 and 2014 are dependent upon the outcome of negotiations with police labor unions. Meanwhile, the contribution from the State to support pension benefits increases with inflation. Until the outcome of local labor union negotiations are known, no increase in the total pension benefit costs is assumed. Given these static assumed costs and the increase in state funding, there is a resulting decrease in required City funding. This dynamic is temporary, however. Once local union negotiations have been finalized, the amount of General Fund support to the Police Relief and Pension Fund will increase accordingly.

In order to improve fiscal sustainability over the long term, the 2013-2014 Proposed Budget assumes the drawdown of one-time fund balances over several years instead of all at once. This reduces reliance of on-going programs on one-time fund sources, and also preserves resources to sustain critical services in future years.

## Police Relief and Pension

### Incremental Budget Changes

#### Police Relief and Pension

	2013		2014	
	Budget	FTE	Budget	FTE
<b>Total 2012 Adopted Budget</b>	<b>\$ 22,185,343</b>	<b>3.00</b>	<b>\$ 22,185,343</b>	<b>3.00</b>
<b>Baseline Changes</b>				
Citywide Adjustments for Standard Cost Changes	\$ 19,366	0.00	\$ 35,902	0.00
Initial Estimate of Pension Obligations	\$ 750,000	0.00	\$ 750,000	0.00
<b>Proposed Technical Changes</b>				
Final Citywide Adjustments for Standard Cost Changes	\$ 1,592	0.00	\$ 1,825	0.00
Revised Estimate of Benefit Costs	-\$ 2,669,000	0.00	-\$ 3,364,001	0.00
<b>Total Incremental Changes</b>	<b>-\$ 1,898,042</b>	<b>0.00</b>	<b>-\$ 2,576,274</b>	<b>0.00</b>
<b>2013 - 2014 Proposed Budget</b>	<b>\$ 20,287,301</b>	<b>3.00</b>	<b>\$ 19,609,069</b>	<b>3.00</b>

### Description of Incremental Budget Changes

#### Baseline Changes

##### Citywide Adjustments for Standard Cost Changes - \$19,366

Citywide technical adjustments made in the "Baseline Phase" reflect changes due to inflation, central cost allocations, retirement, health care, workers' compensation, and employment costs. These adjustments reflect initial assumptions about these costs and inflators early in the budget process.

##### Initial Estimate of Pension Obligations - \$750,000

Adjustment to Pension Obligation budget based on preliminary estimates made during the "Baseline Phase."

#### Proposed Technical Changes

##### Final Citywide Adjustments for Standard Cost Changes - \$1,592

Citywide technical adjustments made in the "Proposed Phase" reflect changes due to inflation, central cost allocations, retirement, health care, workers' compensation, and unemployment costs. These adjustments typically reflect updates to preliminary cost assumptions established in the "Baseline Phase."

##### Revised Estimate of Benefit Costs - (\$2,669,000)

Expenditures for pension benefits are dependent upon the outcome of ongoing negotiations with the Seattle Police Officers' Guild (SPOG). Additionally, expenditures for pension benefits paid directly by the City are offset by payments made by the state. The amount of coverage provided by the state typically grows at a rate tied to inflation. This adjustment reflects the net impact of these dynamics on the City's obligation to pay pension benefits for 2013 and 2014. Once the final outcome of negotiations with SPOG is known, the budget for pension payments will be adjusted accordingly. Medical benefit expenditures are adjusted based on actuarial forecasts.

## Police Relief and Pension

### Expenditure Overview

Appropriations	Summit Code	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
<b>Police Relief and Pension Budget Control</b>					
Administration		473,261	536,344	557,301	574,070
Death Benefits		16,000	15,000	15,000	15,000
Medical Benefits		11,659,190	13,000,000	12,500,000	12,750,000
Pension Benefits		8,548,091	8,634,000	6,715,000	6,019,999
<b>Total</b>	<b>RP604</b>	<b>20,696,542</b>	<b>22,185,344</b>	<b>19,787,301</b>	<b>19,359,069</b>
<b>Department Total</b>		<b>20,696,542</b>	<b>22,185,344</b>	<b>19,787,301</b>	<b>19,359,069</b>
<b>Department Full-time Equivalents Total*</b>		<b>3.00</b>	<b>3.00</b>	<b>3.00</b>	<b>3.00</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.

### Revenue Overview

#### 2013 Estimated Revenues

Summit Code	Source	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
	General Subfund	22,251,490	21,312,128	18,987,071	18,557,893
	<b>Total General Subfund</b>	<b>22,251,490</b>	<b>21,312,128</b>	<b>18,987,071</b>	<b>18,557,893</b>
469990	Miscellaneous	963,263	0	0	0
	<b>Total Miscellaneous</b>	<b>963,263</b>	<b>0</b>	<b>0</b>	<b>0</b>
	Police Auction Proceeds	123,032	120,000	116,164	117,111
	<b>Total Police Auction Proceeds</b>	<b>123,032</b>	<b>120,000</b>	<b>116,164</b>	<b>117,111</b>
	<b>Total Revenues</b>	<b>23,337,785</b>	<b>21,432,128</b>	<b>19,103,235</b>	<b>18,675,004</b>
379100	Use of (Contribution to) Fund Balance	-2,641,243	753,216	684,066	684,065
	<b>Total Use of (Contribution to) Fund Balance</b>	<b>-2,641,243</b>	<b>753,216</b>	<b>684,066</b>	<b>684,065</b>
	<b>Total Resources</b>	<b>20,696,542</b>	<b>22,185,344</b>	<b>19,787,301</b>	<b>19,359,069</b>

## Police Relief and Pension

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

#### **Police Relief and Pension Budget Control Level**

The purpose of the Police Relief and Pension Budget Control Level is to provide responsive benefit services to eligible active-duty and retired Seattle police officers.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Administration	473,261	536,344	557,301	574,070
Death Benefits	16,000	15,000	15,000	15,000
Medical Benefits	11,659,190	13,000,000	12,500,000	12,750,000
Pension Benefits	8,548,091	8,634,000	6,715,000	6,019,999
<b>Total</b>	<b>20,696,542</b>	<b>22,185,344</b>	<b>19,787,301</b>	<b>19,359,069</b>
Full-time Equivalents Total*	3.00	3.00	3.00	3.00

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

# Police Relief and Pension

*The following information summarizes the programs in Police Relief and Pension Budget Control Level:*

## Administration Program

The purpose of the Administration Program is to provide responsive benefit services to eligible active-duty and retired Seattle police officers.

<b>Expenditures/FTE</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Administration	473,261	536,344	557,301	574,070
Full-time Equivalents Total	3.00	3.00	3.00	3.00

## Death Benefits Program

The purpose of the Death Benefits Program is to provide statutory death benefit payments to lawful beneficiaries of eligible former members of the Seattle Police Department.

<b>Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Death Benefits	16,000	15,000	15,000	15,000

## Medical Benefits Program

The purpose of the Medical Benefits Program is to provide medical benefits for eligible active-duty and retired members of the Seattle Police Department.

<b>Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Medical Benefits	11,659,190	13,000,000	12,500,000	12,750,000

## Pension Benefits Program

The purpose of the Pension Benefits Program is to provide pension benefits for eligible retired members of the Seattle Police Department.

<b>Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Pension Benefits	8,548,091	8,634,000	6,715,000	6,019,999

## Police Relief and Pension

### Police Pension Fund Table

#### Police Relief and Pension Fund (60400)

	2011 Actuals	2012 Adopted	2012 Revised	2013 Proposed	2014 Proposed
<b>Beginning Fund Balance</b>	<b>1,104,996</b>	<b>2,621,347</b>	<b>3,746,239</b>	<b>1,868,131</b>	<b>1,184,066</b>
Accounting and Technical Adjustments	0	0	0	0	0
Plus: Actual and Estimated Revenues	23,337,785	21,432,128	20,307,236	19,103,235	18,675,004
Less: Actual and Budgeted Expenditures	20,696,542	22,185,344	22,185,344	19,787,301	19,359,069
<b>Ending Fund Balance</b>	<b>3,746,239</b>	<b>1,868,131</b>	<b>1,868,131</b>	<b>1,184,066</b>	<b>500,001</b>
Contingency Reserve	500,000	500,000	500,000	500,000	500,000
Rate Stabilization Reserve		1,368,131	1,368,131	684,066	0
<b>Total Reserves</b>	<b>500,000</b>	<b>1,868,131</b>	<b>1,868,131</b>	<b>1,184,066</b>	<b>500,000</b>
<b>Ending Unreserved Fund Balance</b>	<b>3,246,239</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>

## **Utilities & Transportation**

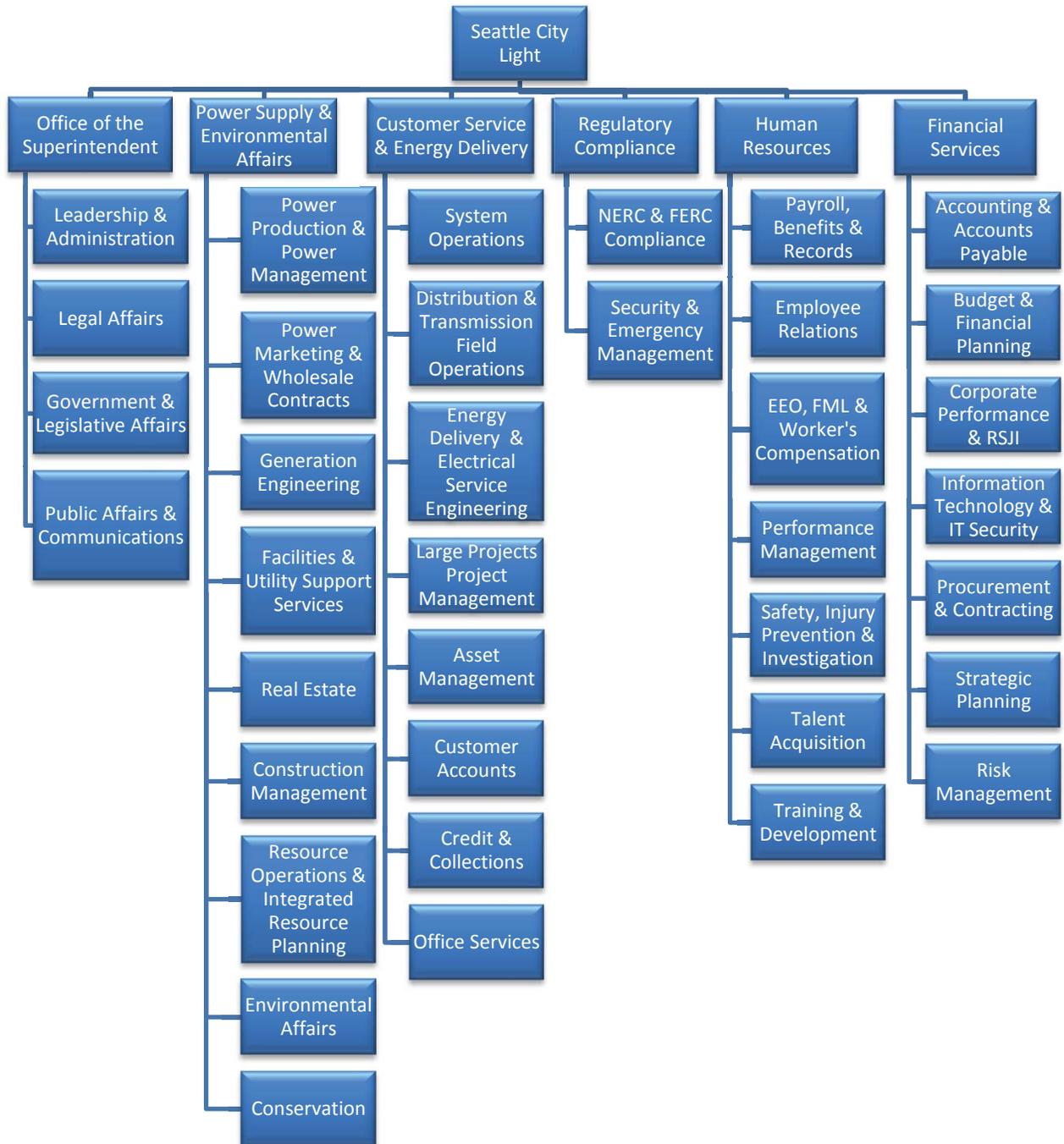


# Seattle City Light

Jorge Carrasco, Superintendent

Department Information Line: (206) 684-3000

On the Web at: <http://www.seattle.gov/light/>



# Seattle City Light

## Department Overview

Seattle City Light (City Light or SCL) 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 395,000 residential, business, and industrial customers within a 130 square-mile service area. City Light provides power to the City of Seattle and surrounding jurisdictions, including parts of Shoreline, Burien, Tukwila, SeaTac, Lake Forest Park, Renton, Normandy Park, and areas of unincorporated King County.

City Light owns about 2,000 megawatts of very low-cost, environmentally-responsible, hydroelectric generation capacity. In an average year, City Light meets about 50% of its load with owned hydroelectric generation and obtains the remainder primarily through the Bonneville Power Administration (BPA). City Light is the nation's tenth largest publicly-owned electric utility in terms of customers served.

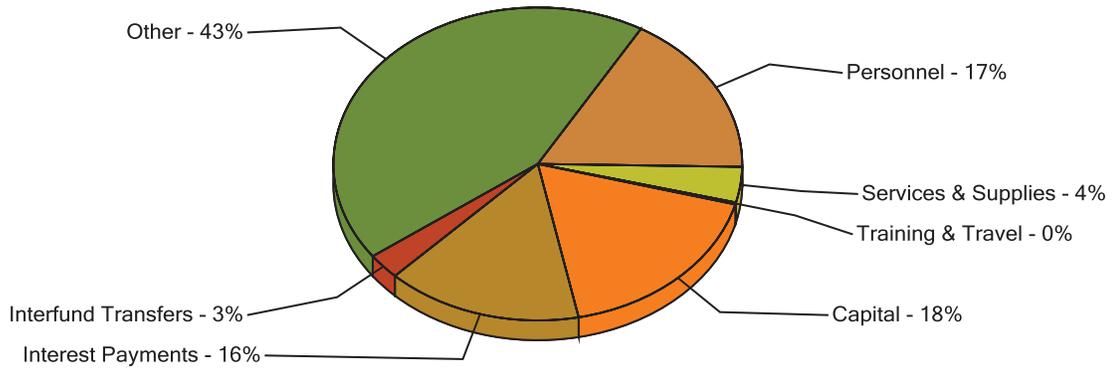
## Budget Snapshot

Department Support	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Other Funding - Operating	\$796,892,651	\$945,423,195	\$941,197,896	\$979,993,442
<b>Total Operations</b>	<b>\$796,892,651</b>	<b>\$945,423,195</b>	<b>\$941,197,896</b>	<b>\$979,993,442</b>
Other funding - Capital	\$125,061,587	\$190,126,315	\$201,081,881	\$219,989,718
<b>Total Appropriations</b>	<b>\$921,954,238</b>	<b>\$1,135,549,510</b>	<b>\$1,142,279,777</b>	<b>\$1,199,983,160</b>
Full-time Equivalent Total*	1,810.75	1,810.75	1,830.25	1,830.25

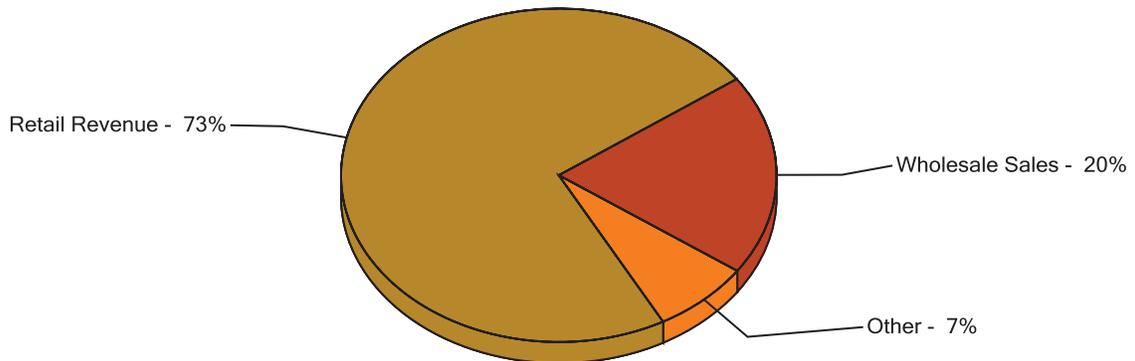
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# Seattle City Light

## 2013 Proposed Budget - Expenditure by Category



## 2013 Proposed Budget - Revenue by Category



# Seattle City Light

## Budget Overview

In 2009 and 2010, unexpectedly depressed energy prices and unusually low precipitation levels reduced both the value and the amount of surplus energy that City Light could sell on the wholesale market. This unexpected revenue shortfall forced SCL to cut costs, reduce spending on basic operations, and defer necessary capital investments. In response, City Council and the Mayor undertook a series of actions to help strengthen oversight and the financial management of the SCL:

- The Rate Stabilization Account (RSA), which provides a source of funding to SCL when wholesale energy revenues fall short of projections, was created to protect against future fluctuations in those wholesale revenues.
- The City Light Review Panel, a committee of stakeholders representing City Light ratepayers which has met regularly since May 2010, was established to advise elected officials on rate and City Light issues.
- City Light was directed to develop a Strategic Plan, with input from the Review Panel and the public, to address broader changes in the electric industry and assess the SCL's ability to adapt to these challenges. By identifying key challenges and prioritizing spending, the Strategic Plan provides a venue for engaging elected officials, customers, and the public on the future of City Light. The Strategic Plan provides the framework for City Light's projected rate path for the subsequent six years and is expected to be updated every two years.

In July 2012, City Council adopted the City Light 2013-2018 Strategic Plan, endorsed an average system rate increase for the six-year period, and directed SCL to prepare the 2013-2014 Proposed Budget and rates in support of the Strategic Plan (Resolution 31838). The Strategic Plan document is available on-line at: <http://clerk.ci.seattle.wa.us/~ordpics/31383AttA.pdf>.

Separate legislation to establish 2013-2014 rates consistent with the Strategic Plan has been submitted to Council for consideration (Council Bill #117549). The proposed rates reflect average system rate increases of 4.4% in 2013 and 5.6% in 2014.

The Strategic Plan identified four key objectives:

1. **Improve customer experience and rate predictability.** The Strategic Plan includes infrastructure investments to improve the reliability of the distribution system (including development of the new Denny substation); replace out-dated customer interfaces, billing and metering systems; and increase maintenance and optimized performance of power-generating facilities. The Strategic Plan also moves towards more conservative assumptions of Net Wholesale Revenue to reduce the risk of triggering automatic customer surcharges, as provided in the RSA legislation, and separate legislation to revise these revenue targets has been submitted to Council for consideration (Council Bill #117550).
2. **Increase workforce performance and safety practices.** The Strategic Plan invests in workforce safety and training programs (including development of a new training facility), and addresses employee recruitment and retention issues given the challenges of an aging workforce. Half of SCL's employees are or will be eligible to retire within the next five years, and despite some significant improvements in workplace safety, SCL's employee injury rate is nearly twice the national average.
3. **Enhance organizational performance.** The Strategic Plan targets \$18 million of efficiencies a year by 2015 in SCL's operations, capital spending, and business practices. Realizing these efficiencies requires investments in management and information systems, on-going performance benchmarking, internal auditing, monitoring and reporting. As directed by Resolution 31383, City Light will propose a reporting framework to the City Council for tracking progress on the Strategic Plan by the end of 2012, with special attention to track the achievement of these efficiencies.
4. **Continue conservation and environmental leadership.** The Strategic Plan maintains City Light's on-going commitment to energy conservation, fish-friendly operation of its hydroelectric projects, climate-neutral operations, and other environmental liabilities and commitments.

The 2013-2014 Proposed Budget was developed to reflect the Strategic Plan's objectives within the resource constraints of the 2013-2014 rates. City Light will revisit the Strategic Plan every two years with the City Light

## Seattle City Light

Review Panel and City Council, extending the six-year planning window by two years each time, refining expectations for the following biennial budget, and setting the projected rate path for the subsequent six years. The Strategic Plan will continue to be an integral part of the budgeting process by vetting key policy choices facing SCL and providing a framework for establishing stable and predictable rates. The annual budget remains the legal authority governing spending and provides accountability for implementing the Strategic Plan.

Recognizing the impact of increased electric bills on the City's low-income population, including seniors and disabled persons, the 2013-2014 Proposed Budget includes additional resources to increase the number of qualified customers who participate in City Light rate assistance and conservation programs. City Light will network with other housing and human services organizations and proactively identify and engage potential participants, rather than waiting for eligible customers to initiate contact. SCL has set a goal of increasing participation in the rate discount program by 10% in 2013 and 15% in 2014. Engaging low-income customers who have high energy consumption will be a priority for SCL's conservation programs and provide further opportunities for these customers to reduce their bills.

To support the capital program and other eligible SCL costs, the 2013-2014 Proposed Budget anticipates a 2013 bond issue of approximately \$275 million and a 2014 bond issue of approximately \$200 million. For summary detail of SCL's capital spending and individual capital projects, please see the 2013-2018 Proposed CIP document.

### Incremental Budget Changes

#### Seattle City Light

	2013		2014	
	Budget	FTE	Budget	FTE
<b>Total 2012 Adopted Budget</b>	<b>\$ 1,135,549,513</b>	<b>1,810.75</b>	<b>\$ 1,135,549,513</b>	<b>1,810.75</b>
<b>Baseline Changes</b>				
Citywide Adjustments for Standard Cost Changes and CIP Allocation Changes	\$ 45,717,658	0.00	\$ 44,774,979	0.00
<b>Proposed Policy Changes</b>				
Building the New Denny Substation Program	\$ 2,433,130	0.00	\$ 19,075,581	0.00
Transmission System Improvements in Puget Sound Area	\$ 419,199	0.00	\$ 413,733	0.00
Cable Rehabilitation and Replacement	\$ 0	0.00	\$ 1,110,184	0.00
Streetlight Infrastructure Replacement	\$ 1,954,706	0.00	\$ 2,933,984	0.00
Improve Hydro System Optimization and Generator Availability	\$ 306,701	0.00	\$ 523,178	0.00
Customer Portal Development	\$ 852,660	0.00	\$ 872,231	0.00
Compliance Tracking System and Compliance Program Standardization	\$ 1,072,823	2.00	\$ 523,178	2.00
Regional and Industry Leadership	\$ 306,704	2.00	\$ 313,907	2.00
Comprehensive Low Income Assistance	\$ 431,000	0.00	\$ 439,000	0.00
Safe Work Environment	\$ 609,301	1.50	-\$ 352,786	1.50
Attract and Retain Workforce	\$ 1,249,976	1.00	\$ 1,253,748	1.00

## Seattle City Light

Workforce Development - Utility Training and Development Program	\$ 2,291,773	1.00	\$ 2,295,198	1.00
Technical Training Center Development	\$ 4,794,595	0.00	\$ 1,674,170	0.00
Efficiency and Process Improvement Savings	-\$ 6,177,680	0.00	-\$ 14,022,042	0.00
Performance Reporting and Business Intelligence System Expansion	\$ 1,418,009	0.00	\$ 1,216,136	0.00
Establish Internal Audit/Management Review Group	\$ 822,980	5.00	\$ 842,314	5.00
Project Management Training Increase	\$ 649,722	0.00	\$ 451,531	0.00
Standards Development Funding Increase	\$ 255,584	0.00	\$ 523,178	0.00
Insurance Policy for Generation Facilities	\$ 510,168	0.00	\$ 523,178	0.00
Benchmarking Performance - Funding Increase	\$ 281,142	0.00	\$ 287,748	0.00
Equipment Servicer Adds	\$ 0	2.00	\$ 0	2.00
Integrated Geospatial Information System (GIS)	\$ 693,480	3.00	\$ 2,811,385	3.00
IT Disaster Recovery Program	\$ 638,175	1.00	\$ 1,027,921	1.00
Replace/Upgrade Peoplesoft Financial System	\$ 1,175,403	0.00	\$ 1,198,794	0.00
Enterprise Document Management System	\$ 574,985	0.00	\$ 395,280	0.00
Implement IT Security Upgrades	\$ 763,038	1.00	\$ 698,677	1.00
Climate Research Increase	\$ 224,914	0.00	\$ 230,198	0.00
Reduce Environmental Liability	\$ 635,978	0.00	\$ 925,392	0.00
<b>Proposed Technical Changes</b>				
Baseline Capital Program Adjustments	-\$ 26,236,176	0.00	\$ 527,460	0.00
Purchased Power Costs	-\$ 29,576,261	0.00	-\$ 24,525,475	0.00
City and State Tax Payment Increase	\$ 3,082,711	0.00	\$ 7,686,809	0.00
Debt Service Cost Changes	\$ 1,517,042	0.00	\$ 16,758,783	0.00
Restore IT Software Maintenance Budget	\$ 2,852,434	0.00	\$ 2,918,041	0.00
Technical Adjustments - Accounting Changes	-\$ 9,789,270	0.00	-\$ 10,065,410	0.00
Technical Adjustments - Other	-\$ 26,340	0.00	-\$ 1,826,536	0.00
<b>Total Incremental Changes</b>	<b>\$ 6,730,264</b>	<b>19.50</b>	<b>\$ 64,433,647</b>	<b>19.50</b>
<b>2013 - 2014 Proposed Budget</b>	<b>\$ 1,142,279,777</b>	<b>1,830.25</b>	<b>\$ 1,199,983,160</b>	<b>1,830.25</b>

# Seattle City Light

## Description of Incremental Budget Changes

### Baseline Changes

#### **Citywide Adjustments for Standard Cost Changes and CIP Allocation Changes - \$45,717,658**

Citywide technical adjustments made in the "Baseline Phase" reflect changes due to inflation, central cost allocations, retirement, health care, workers' compensation, and employment costs. These adjustments reflect initial assumptions about these costs and inflators early in the budget process. Also included here are adjustments to reconcile SCL's appropriations to the 2013-2014 planned allocations shown in the 2012-2017 Adopted CIP.

### Proposed Policy Changes

#### **Building the New Denny Substation Program - \$2,433,130**

This adjustment provides additional funding to continue SCL's work to build a new north downtown substation. The new substation will create a stronger and better-integrated distribution system throughout the city and provide highly reliable power to serve the city's growing biotechnology research and information technology sectors. Since the year 2000, SCL has been studying how best to serve the new loads and emerging high load density in the South Lake Union (SLU)/ North Downtown (NODO) area and loads in adjacent areas. In late 2011, SCL completed the "Seattle City Light Load Serving Report" for the North-Central Seattle area. The analysis efforts have coincided with the rapid redevelopment of this area. In 2009, the Seattle City Council approved the purchase of parcels of land at the corner of Denny Way and Minor Street as the location of a substation. The Denny Substation Program has a total estimated cost of roughly \$201 million, including costs for network system, substation, and transmission line design and construction.

#### **Transmission System Improvements in Puget Sound Area - \$419,199**

This proposal provides resources for capital projects designed to strengthen the City Light transmission system. Electric transmission congestion in the Puget Sound area is increasing due to changes in area generation, load growth, transfers of power to Canada required by treaty, and outages required to maintain the lines. City Light is collaborating with neighboring Puget Sound utilities to improve the regional transmission system through several transmission projects proposed to strengthen the Seattle City Light transmission system and for which City Light will be reimbursed partially by other utilities in the area.

#### **Cable Rehabilitation and Replacement**

This proposal provides additional funding of \$1.1 million in 2014 for SCL to increase its underground cable replacement rate by 10,000 feet per year with directional boring, a method of drilling and pulling conduit for new cable. City Light is currently funded to annually accomplish 25,000 feet of directional boring and 2,000 feet of open trenching followed by cable installation. Directional boring is the most cost effective, expeditious, and least disruptive conduit installation method.

#### **Streetlight Infrastructure Replacement - \$1,954,706**

This adjustment adds funding to replace aging, non-functional, and damaged streetlight infrastructure, as identified in SCL's ten-year Streetlight Horizon Plan. The Plan provides for the prioritization of streetlight system replacement in conjunction with Complete Streets initiatives and other CIP projects. Affected streetlight infrastructure includes poles, fixtures, conduits, hand holes, and wiring. Current practice involves crew and engineering response to individual customer requests as needs emerge rather than planned replacement of aging infrastructure. Replacing failing systems will reduce customer complaints and stopgap repairs by crews. Costs for streetlight operation, maintenance, and improvement, including the cost of this adjustment, are supported by the General Fund.

# Seattle City Light

## **Improve Hydro System Optimization and Generator Availability - \$306,701**

This proposal provides resources for a consultant to develop a modeling software tool that will help City Light optimize its valuable hydro system and improve the availability of its generators. The software will facilitate more real-time power marketing and system control decisions by prioritizing crew deployment toward preventive maintenance and supporting planning to minimize generator outages. This will allow SCL to operate more efficiently, reduce unit outages, and improve system performance.

## **Customer Portal Development - \$852,660**

This proposal provides consultant funding to support the implementation of a City Light Customer Portal. The portal will provide customers easy access to online tools, forms, and relevant information. The new site will enable customers the convenience of paying bills online, making online payment arrangements, and accessing web tools that will aid them in saving energy. The new portal is expected to enhance customer satisfaction, and reduce costs for SCL by reducing non-web customer contacts.

## **Compliance Tracking System and Compliance Program Standardization - \$1,072,823/2.00 FTE**

This adjustment provides funding and staff for City Light to standardize and automate its compliance with federal and regional reliability and cyber security standards. This initiative includes a capital investment for an online system that will manage workflows and track compliance with North American Electric Reliability Corporation (NERC) standards and requirements. This initiative will result in standardization and automation of SCL's compliance records so that bulk power systems in the region will be protected and their reliability insured.

## **Regional and Industry Leadership - \$306,704/2.00 FTE**

This proposal adds funding and staff to enhance City Light's strategic policy direction and regional leadership on various power supply and transmission matters. The proposal would allow City Light to take proactive positions on various regional power supply and transmission matters by focusing on two major areas: (1) City Light's power and transmission agreements with BPA (which supply more than 40 percent of City Light's energy portfolio and most of its transmission service); and (2) emerging power supply and transmission operating issues that involve regional utilities, as well as state and federal agencies. These issues include wind power, regional transmission planning, and integration of renewable resources.

## **Comprehensive Low Income Assistance - \$431,000**

This proposal establishes a new working group within the Customer Care area whose sole focus will be on helping low income customers reduce their electric bills. This group will provide customers a comprehensive approach to affording their electric bills through a combination of financial assistance, energy efficiency improvements, and increased customer outreach. The Comprehensive Low Income Assistance Program will increase the utilization of low-income rates for income-eligible customers. City Light will dedicate staff and work with other City departments and community-based organizations to identify and enroll eligible low-income customers. No new positions are requested, as City Light will reallocate existing staff resources; the requested funding will support temporary staffing for backfill and reassignments related to those reallocated staff resources.

## **Safe Work Environment - \$609,301/1.50 FTE**

This proposal provides funding and staff to allow SCL to implement a comprehensive safety and health program incorporating electric utility best practices to significantly reduce injury frequency and severity rates. In addition to the decrease in employee injury and severity rates, the program will result in the reduction of motor vehicle accidents, a reduction in cost per injury, and a decrease in workers compensation costs and third party claims. The requested funding supports implementation of a safety management system, driver safety training, and staff costs. In 2014, the program is anticipated to generate savings, which are incorporated into SCL's 2014 Budget.

# Seattle City Light

## **Attract and Retain Workforce - \$1,249,976/1.00 FTE**

This adjustment provides funding and staff for SCL to implement a comprehensive workforce strategy, to ensure SCL will continue to have a qualified, high performance workforce in place to meet its customers' needs. The strategy includes the development of compensation programs in line with the national market for talent with specific electric utility knowledge and expertise, with market rate compensation to be applied to job classifications that are currently paid below market. The strategy also includes providing flexibility for City Light to manage its workforce more effectively through the creation of broader utility-specific classifications; implementing programs that incentivize employee productivity and efficiency; and aligning labor agreements and work practices to promote workplace efficiency and customer service. Savings from reduced employee turnover and improved efficiency are expected to off-set a portion of the costs of this proposal.

## **Workforce Development - Utility Training and Development Program - \$2,291,773/1.00 FTE**

This proposal provides funding and staff for comprehensive training, employee development, and succession planning. City Light is facing a critical talent shortage because of the impending retirement of a significant percentage of its workers and the continuing shortage of workers who possess the minimum qualifications or utility expertise to work in the electric utility industry. The proposal includes expansion of the apprenticeship program, providing more on-the-job training, and smoothing out staff succession. This proposal also includes developing a leadership training program, increasing training funding for every employee, and establishing trainee positions for non-field jobs that require a high level of utility-specific expertise.

## **Technical Training Center Development - \$4,794,595**

This adjustment provides funding to design and construct a comprehensive Technical Training Center for City Light that will consolidate the delivery of all apprenticeship training, journey-level skills enhancement training, safety training, Commercial Driver License (CDL) driving training, and other technical training for the 800-plus skilled trades workers that build and maintain SCL's electrical infrastructure. The training center will provide the space necessary for SCL's skilled trades workers to receive essential training. The estimated total project cost is \$6.9 million. The training center will include an approximately 9000 square foot one-story building, which will house classrooms, training laboratories, and a computer lab. The center will also include outdoor training installations, such as pole-climbing yards and underground training vaults, and a paved area for commercial driver and crane safety training.

## **Efficiency and Process Improvement Savings - (\$6,177,680)**

This reduction in budget reflects the anticipated cost savings of SCL's commitment to achieve \$18 million a year by 2015 in savings from efficiencies and process improvements. SCL will reduce ongoing operating and capital costs by \$15 million per year by 2015 (ramping up in 2013-2014) by implementing efficiency measures identified in a benchmarking report prepared by an outside consultant, and implement other SCL-wide process improvements to save an additional \$3 million annually. In addition to these cost saving efficiencies, City Light anticipates generating \$700,000 annually in enhanced revenues through measures including leasing or selling surplus property and reducing energy theft. The proposed efficiency measures are a key element of City Light's Strategic Plan, and some will require discussion with labor to implement. Examples of measures that do not require labor discussions include reducing vehicle fleet needs, reducing capital spending through improved project management, reducing inventory carrying costs, and scheduling crews more efficiently.

## **Performance Reporting and Business Intelligence System Expansion - \$1,418,009**

This adjustment provides funding to expand SCL's existing enterprise business intelligence system. Funding provides for consulting and system integration, software and hardware costs, and training. City Light will use the enterprise business intelligence system to provide metrics, dashboards, and analytic and strategic reports. The continuation of this project will allow Seattle City Light to expand existing reporting and data mining capabilities to include all of the SCL's major operational systems data. Staffing needs for the project will be met with temporary labor and through backfilling vacant positions.

# Seattle City Light

## **Establish Internal Audit/Management Review Group - \$822,980/5.00 FTE**

This proposal provides funding and staff to establish a City Light internal audit group to perform audits and reviews. The responsibilities of this group will be to provide independent analysis to reduce waste, improve efficiency, and to address any potential for fraud at City Light. The group will develop and carry out an annual audit plan using information on high risk areas developed by City Light's Enterprise Risk Management Oversight group, conduct ad-hoc special audits as issues arise throughout the year, review internal controls, and conduct process audits.

## **Project Management Training Increase - \$649,722**

Given the diversity, scope and cost of its capital projects, City Light needs to build a consistent enterprise project management capability to ensure proper project development, oversight, management, and accountability. Improved project management at City Light is needed to ensure projects are completed on time, on budget, and within defined scope and quality. As part of that broader effort, this adjustment increases funding for training resources to ensure that City Light is providing consistent project manager training throughout SCL. Funding requested for 2013-2014 provides for training and certification for project management staff.

## **Standards Development Funding Increase - \$255,584**

This proposal provides staff funding and consultant resources to enable SCL to develop new material, design and construction standards, while supporting the ability to update and maintain existing standards in accordance with new products on the market, new regulatory requirements, and the latest applicable construction means and methods. These standards will then form the building blocks of 'compatible units' (i.e. standardized components) for SCL's most frequent and repetitive installation and maintenance work. Compatible units will help SCL to generate more accurate and consistent cost and scheduling estimates, enable faster customer response time, and optimize the allocation of construction and maintenance field crew resources. SCL will use existing staff (reassigned or reallocated from other tasks) and consultants to develop the standards.

## **Insurance Policy for Generation Facilities - \$510,168**

This proposal provides funding for SCL to purchase insurance on its generation facilities in accordance with the Strategic Plan. City Light's buildings and structures and the equipment in them are generally covered against earthquake, fire, flood and other damage under the City's insurance policy. However, SCL's most important generating assets (including dams and other generation equipment) are not covered by this, or any other, insurance. Providing budget authority to purchase and maintain insurance would plug this coverage gap.

## **Benchmarking Performance - Funding Increase - \$281,142**

This adjustment increases funding for the implementation of benchmarking activities (including surveys and studies) at City Light by providing additional consulting resources. As a result of a 2011 consultant study, City Light identified areas of improvement that are now being addressed. This proposal will continue and expand SCL's efforts to identify gaps in performance and put action plans in place to correct existing deficiencies, reduce costs and enhance service.

## **Equipment Servicer Adds/2.00 FTE**

This adjustment adds two new Equipment Servicer positions that will provide transportation of light and heavy duty equipment to all FAS maintenance repair facilities. Fleet Services is eliminating all vehicle and equipment maintenance shuttling services to and from City of Seattle maintenance facilities. These Equipment Servicer positions will play a critical role in responding to emergency situations. No additional budget authority is requested, as City Light will fund these new positions using existing budget authority.

## **Integrated Geospatial Information System (GIS) - \$693,480/3.00 FTE**

This adjustment provides additional funding and staff for the integration of existing non-compatible GIS systems at City Light into a single GIS system that can support transmission, distribution, and streetlight system management. This includes replacing City Light's multiple GIS systems with a single, integrated GIS that will eliminate redundant data entry and increase data quality and accessibility.

# Seattle City Light

## **IT Disaster Recovery Program - \$638,175/1.00 FTE**

City Light's current information technology (IT) disaster recovery capability is very limited and would not be sufficient to recover key assets after a significant disaster such as an earthquake or major cyber attack. This proposal includes a new FTE, related capital and operating funding, and consultant resources to develop and implement a comprehensive disaster recovery plan which will prioritize IT asset recovery requirements. City Light's approach will be consistent with Citywide direction being established by the Department of Information Technology (DoIT).

## **Replace/Upgrade Peoplesoft Financial System - \$1,175,403**

This adjustment provides additional labor funding in support of the replacement or upgrade of the current version of Oracle's PeopleSoft financial system with a newer version. The City will be replacing its PeopleSoft Financial System (Summit) in the near future, and City Light must dedicate staff to its configuration and implementation in order to ensure the new system meets City Light's needs. Existing City Light staff will be backfilled with temporary staff to make sure the standard financial and accounting work is accomplished.

## **Enterprise Document Management System - \$574,985**

This proposal provides additional resources to leverage existing City of Seattle Enterprise Document Management (EDM) technology and implement an EDM solution. An Enterprise Document Management System will allow City Light to digitally store, track and share important documents in a structured, auditable manner, and will also provide more secure and longer-lived maintenance of such documents. The system will also improve document search and retrieval capabilities, and lower overall content management costs throughout SCL. Funding is provided for software purchase, installation and support; labor and contactor support; and hardware.

## **Implement IT Security Upgrades - \$763,038/1.00 FTE**

This proposal provides staff and funding to improve network and computer security at SCL, to meet evolving threats and new regulations. Providing dedicated IT security staff will increase the security and availability of the computing environment that supports SCL's business functions. The proposal also provides funding for improvements and upgrades of critical IT infrastructure, such as upgrading SCL's aged network switches and firewall infrastructure.

## **Climate Research Increase - \$224,914**

This proposal provides consultant funding to conduct climate research to better understand the impacts of climate change on City Light operations, and develop a strategy to adapt to these impacts. City Light's Climate Research initiative includes investing in capacity to assess and address long-term resource risks associated with climate change. The initiative will determine the impacts on watersheds and generating facilities that may result from climate change, and develop strategies to reduce, minimize or mitigate those impacts. Climate research will be conducted in collaboration with a number of external partners including the University of Washington Climate Impacts Group, Department of Energy National Laboratories and the National Park Service.

## **Reduce Environmental Liability - \$635,978**

This proposal adds funding to reduce environmental liability by improving environmental compliance and reducing the presence and use of toxic material in SCL's operations. The proposal includes developing and implementing a comprehensive environmental management approach; testing (and replacing where necessary) approximately 20,000 transformers for environmental contaminants, where current data is lacking; and reducing the risk of oil spills at generating plants, such as through construction of larger containment basins around oil-filled equipment. Funding is provided for capital improvements and temporary labor or consultants.

# Seattle City Light

## Proposed Technical Changes

### **Baseline Capital Program Adjustments - (\$26,236,176)**

This adjustment reflects year to year changes in planned CIP spending for existing CIP projects. For a summary of City Light's capital program and more detail on project-level changes, please see the 2013-2018 Proposed CIP document.

### **Purchased Power Costs - (\$29,576,261)**

This adjustment reduces budget for purchased power to reflect lower market prices for energy and reduced transmission costs. In addition, SCL has been able to meet Initiative-937 requirements by acquiring Renewable Energy Credits (RECs) at favorable prices, deferring the need for renewable power purchases. Initiative-937 was a voter-passed initiative that specifies renewable energy acquisition targets, which may also be fulfilled by RECs and conservation programs.

### **City and State Tax Payment Increase - \$3,082,711**

This adjustment increases City Light's budget to provide sufficient budget authority to pay city and state taxes. Additional budget authority is projected to be needed for 2013-2014 taxes primarily due to higher projected retail revenues.

### **Debt Service Cost Changes - \$1,517,042**

Beginning in 2014, City Light's debt service is expected to rise significantly. While some of this debt service is due to increased capital spending, there are several additional drivers including increased borrowing to offset low wholesale revenues in prior years, a City Council policy change requiring SCL to finance a larger portion of the Capital Improvement Program with debt, and the front-loading of refinancing savings to keep rates lower in the short term. Debt service and coverage needs are a major driver of rate increases in the coming years. This adjustment provides City Light with additional authority to pay projected debt service costs.

### **Restore IT Software Maintenance Budget - \$2,852,434**

This adjustment represents an increase in operating funding to re-establish City Light's Information Technology Services Division base budget. In order to reduce 2012 rate impacts, City Light's software license budget was underfunded in 2012 with the intention of providing adequate funding in 2013 and 2014. This funding restoration is needed to pay for software maintenance for department-wide applications, fund support licenses and hardware, and continue City Light's information technology operations without interruption.

### **Technical Adjustments - Accounting Changes - (\$9,789,270)**

This technical adjustment relates to the accounting treatment of Boundary Dam relicensing costs and long-term environmental cleanup expenses. Boundary Dam relicensing will be moved from Deferred O&M expenses to capital expenses as SCL begins license mitigation spending. In addition, SCL's long-term environmental cleanup expenses will be moved from O&M to Deferred O&M expenses. These adjustments reflect changes in the timing of recording liabilities and costs, but no changes to overall costs.

### **Technical Adjustments - Other - (\$26,340)**

Other technical adjustments include transfers between BCLs and corrections to baseline and inflation adjustments.

# Seattle City Light

## Expenditure Overview

Appropriations	Summit Code	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
<b>Capital</b>					
Customer Focused - CIP Budget Control Level	SCL370	0	71,268,536	53,503,046	57,204,028
Customer Services and Energy Delivery - CIP Budget Control Level	SCL350	91,445,689	0	0	0
Financial Services - CIP Budget Control Level	SCL550	3,814,106	7,789,846	8,612,388	15,920,063
Power Supply & Environmental Affairs - CIP Budget Control Level	SCL250	29,801,792	46,196,214	72,923,920	63,417,769
Transmission and Distribution - CIP Budget Control Level	SCL360	0	64,871,719	66,042,527	83,447,858
<b>General Expense</b>					
Debt Service Budget Control Level	SCL810	147,891,439	178,150,503	179,667,546	196,466,429
General Expenses Budget Control Level	SCL800	64,060,460	76,568,529	86,752,636	87,109,392
Taxes Budget Control Level	SCL820	74,431,324	78,472,239	81,554,950	86,159,048
<b>Operations and Maintenance</b>					
Compliance and Security Budget Control Level	SCL900	0	2,825,188	3,163,331	3,442,861
Conservation Resources and Environmental Affairs O&M Budget Control Level	SCL220	34,501,155	57,757,071	59,893,973	61,573,633
Customer Services Budget Control Level	SCL320	26,634,694	26,847,557	27,635,692	28,307,173
Distribution Services Budget Control Level	SCL310	64,760,161	71,786,036	73,787,206	73,941,794
Financial Services - O&M Budget Control Level	SCL500	29,500,646	28,988,915	36,023,479	36,575,868
Human Resources Budget Control Level	SCL400	5,187,240	6,790,858	9,380,049	9,137,512
Office of Superintendent Budget Control Level	SCL100	2,396,256	2,923,085	3,121,630	3,198,260
Power Supply O&M Budget Control Level	SCL210	48,456,177	62,449,375	50,892,548	51,451,103
<b>Power Purchase</b>					
Long-Term Purchased Power Budget Control Level	SCL720	0	284,741,917	277,322,789	287,056,886

## Seattle City Light

<b>Purchased Power Budget Control Level</b>	<b>SCL700</b>	<b>299,073,099</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Short-Term Purchased Power Budget Control Level</b>	<b>SCL710</b>	<b>0</b>	<b>67,121,923</b>	<b>52,002,066</b>	<b>55,573,482</b>
<b>Department Total</b>		<b>921,954,238</b>	<b>1,135,549,510</b>	<b>1,142,279,777</b>	<b>1,199,983,160</b>
<b>Department Full-time Equivalents Total*</b>		<b>1,810.75</b>	<b>1,810.75</b>	<b>1,830.25</b>	<b>1,830.25</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 City Light

## Revenue Overview

### 2013 Estimated Revenues

Summit Code	Source	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
443310	Retail Energy Revenue from Current Diversion, Un-Permitted House Rewires and No Longer Allowing Flat-Rate Billings	0	2,106,000	2,156,369	2,210,769
443310	Seattle Green Power	1,548,027	3,130,000	2,801,449	2,863,034
443310	GreenUp/Community Solar Energy Sales to Customers	652,211,510	671,910,329	700,295,952	744,531,645
	<b>Total Retail Revenue</b>	<b>653,759,537</b>	<b>677,146,329</b>	<b>705,253,770</b>	<b>749,605,448</b>
443310	Sales from Priest Rapids	4,956,304	4,917,295	4,400,000	4,800,000
443345	Article 49 Sale to Pend Oreille County	1,691,668	1,669,835	1,799,799	1,842,094
443345	Basis Sales	371,881	0	0	0
443345	Other Power Related Services	9,953,704	7,319,141	7,000,000	6,559,992
443345	Surplus Energy Sales	125,116,750	151,190,694	174,951,102	185,049,536
	<b>Total Wholesale Sales</b>	<b>142,090,306</b>	<b>165,096,963</b>	<b>188,150,901</b>	<b>198,251,622</b>
431010	Operating Grants	1,397,506	3,867,659	0	0
431200	BPA Conservation & Renewables Credit	1,864,737	0	0	0
431200	BPA Payments for Conservation Deferred	9,901,374	4,926,389	5,355,575	0
443250	Other O&M Revenue	6,970,150	5,513,826	5,631,984	5,766,516
443250	Revenue From Damage	1,119,995	1,596,840	1,635,031	1,676,279
443345	BPA Credit for South Fork Tolt	3,470,373	3,637,892	3,337,901	3,231,468
443380	Account Change Fees	1,262,105	1,492,047	1,529,349	1,567,582
443380	Construction & Miscellaneous Charges	1,138	1,161,396	1,188,857	1,217,324
443380	Late Payment Fees	4,110,624	3,794,205	3,883,873	3,976,647
443380	Pole Attachments	1,745,935	2,073,390	2,122,979	2,176,537
443380	Property Rentals	2,252,227	1,320,470	1,351,676	1,383,964
443380	Reconnect Charges	872,427	254,269	260,278	266,496
443380	Transmission Attach. & Cell Sites	1,286,927	2,749,843	2,815,610	2,886,642
443380	Water Heater & Miscellaneous Rentals	160,774	192,119	196,659	201,356
461100	Federal Subsidies of Interest Payments on Debt	4,608,645	0	5,443,191	5,443,191
461100	Interest Earnings	5,581,708	5,377,885	7,627,766	9,214,952
461100	Sale of Property, Material & Equip.	422,212	2,250,000	1,100,983	1,127,594
462900	North Mountain Substation (Snohomish PUD)	227,306	381,414	397,226	403,206

## Seattle City Light

462900	Transmission Sales	4,368,813	3,063,776	4,020,000	4,020,000
469990	Conservation - Customer Payments	0	0	0	0
473010	Capital Fees and Grants	11,759,796	176,352	107,654	109,887
482000	Contributions in Aid of Construction	10,451,774	25,285,000	21,057,333	23,285,408
482000	Suburban Undergrounding	661,129	863,651	1,138,795	1,250,498
541830	Reimbursement for CCSS - CIP	0	0	0	0
541830	Reimbursement for CCSS - O&M	1,164,741	2,350,543	552,802	528,740
<b>Total Other</b>		<b>75,662,415</b>	<b>72,328,966</b>	<b>70,755,521</b>	<b>69,734,286</b>
<b>Total Revenues</b>		<b>871,512,259</b>	<b>914,572,258</b>	<b>964,160,192</b>	<b>1,017,591,356</b>
379100	Transfers from Construction Fund	50,441,979	220,977,253	178,119,585	182,391,804
<b>Total Transfers</b>		<b>50,441,979</b>	<b>220,977,253</b>	<b>178,119,585</b>	<b>182,391,804</b>
<b>Total Resources</b>		<b>921,544,238</b>	<b>1,135,549,511</b>	<b>1,142,279,777</b>	<b>1,199,983,160</b>

# Seattle City Light

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

### Compliance and Security Budget Control Level

The purpose of the Compliance and Security Budget Control Level is to ensure compliance with federal electric reliability standards and secure critical utility infrastructure.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Compliance and Security	0	2,825,188	3,163,331	3,442,861
<b>Total</b>	<b>0</b>	<b>2,825,188</b>	<b>3,163,331</b>	<b>3,442,861</b>
Full-time Equivalents Total*	0.00	14.00	16.00	16.00

\* 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.

### Conservation Resources and Environmental Affairs O&M Budget Control Level

The purpose of the Conservation Resources and Environmental Affairs O&M Budget Control Level is to design and implement demand-side conservation measures that offset the need for additional generation resources, and to ensure that the Utility generates and delivers energy in an environmentally responsible manner. This Budget Control Level also supports the Utility's renewable resource development programs.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Conservation Resources and Environmental Affairs O&M	34,501,155	57,757,071	59,893,973	61,573,633
<b>Total</b>	<b>34,501,155</b>	<b>57,757,071</b>	<b>59,893,973</b>	<b>61,573,633</b>
Full-time Equivalents Total*	108.00	116.50	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.

### Customer Focused - CIP Budget Control Level

The purpose of the Customer Focused - CIP Budget Control Level is to provide for the capital costs of customer service connections, meters, and other customer-driven projects, including large inter-agency projects requiring utility services or relocations. This Budget Control Level supports capital projects identified in the Adopted 2012-2017 Capital Improvement Plan.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Customer Focused - CIP	0	71,268,536	53,503,046	57,204,028
<b>Total</b>	<b>0</b>	<b>71,268,536</b>	<b>53,503,046</b>	<b>57,204,028</b>
Full-time Equivalents Total*	0.00	132.32	132.32	132.32

\* 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

### **Customer Services Budget Control Level**

The purpose of the Customer Services Budget Control Level is to provide customer services, including metering, billing, account management, and customer information systems.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Customer Services	26,634,694	26,847,557	27,635,692	28,307,173
<b>Total</b>	<b>26,634,694</b>	<b>26,847,557</b>	<b>27,635,692</b>	<b>28,307,173</b>
Full-time Equivalents Total*	210.75	203.75	203.75	203.75

*\* 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.*

### **Customer Services and Energy Delivery - CIP Budget Control Level**

The purpose of the Customer Services and Energy Delivery - CIP Budget Control Level is to provide for the capital costs of installation, maintenance, rehabilitation, and replacement of transmission lines, substations, distribution feeders, transformers, services connections, and meters to meet customer demand. This Budget Control Level's capital program also coordinates the Utility's plant improvements with the efforts of other agencies involved in the implementation of large projects such as the Alaskan Way Viaduct and Seawall Replacement, North Downtown redevelopment, and Sound Transit light rail. In the 2012 Adopted Budget, this Budget Control Level is replaced with the Transmission and Distribution - CIP Budget Control Level and the Customer Focused - CIP Budget Control Level.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Customer Services and Energy Delivery - CIP	91,445,689	0	0	0
<b>Total</b>	<b>91,445,689</b>	<b>0</b>	<b>0</b>	<b>0</b>
Full-time Equivalents Total*	288.38	0.00	0.00	0.00

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### **Debt Service Budget Control Level**

The purpose of the Debt Service Budget Control Level is to meet principal repayment and interest obligations on funds borrowed to meet City Light's capital expenditure requirements.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Debt Service - BCL	147,891,439	178,150,503	179,667,546	196,466,429
<b>Total</b>	<b>147,891,439</b>	<b>178,150,503</b>	<b>179,667,546</b>	<b>196,466,429</b>

## Seattle City Light

### **Distribution Services Budget Control Level**

The purpose of the Distribution Services Budget Control Level is to provide reliable electricity to customers through cost-effective operation and maintenance of City Light's overhead and underground distribution systems, substations, and transmission systems.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Distribution Services	64,760,161	71,786,036	73,787,206	73,941,794
<b>Total</b>	<b>64,760,161</b>	<b>71,786,036</b>	<b>73,787,206</b>	<b>73,941,794</b>
Full-time Equivalents Total*	580.04	575.04	578.04	578.04

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### **Financial Services - CIP Budget Control Level**

The purpose of the Financial Services - CIP Budget Control Level is to provide for the capital costs of rehabilitation and replacement of the Utility's financial systems and information technology infrastructure, and the development and implementation of large software applications. This Budget Control Level supports capital projects identified in the Adopted 2012-2017 Capital Improvement Plan.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Financial Services - CIP	3,814,106	7,789,846	8,612,388	15,920,063
<b>Total</b>	<b>3,814,106</b>	<b>7,789,846</b>	<b>8,612,388</b>	<b>15,920,063</b>
Full-time Equivalents Total*	6.71	6.71	8.71	8.71

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### **Financial Services - O&M Budget Control Level**

The purpose of the Financial Services - O&M Budget Control Level is to manage the Utility's financial health through prudent planning, risk mitigation, and provision of information to drive financial discipline and efficiency throughout the utility. Information technology services are also provided through this Budget Control Level to support systems and applications used throughout the Utility.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Financial Services - O&M	29,500,646	28,988,915	36,023,479	36,575,868
<b>Total</b>	<b>29,500,646</b>	<b>28,988,915</b>	<b>36,023,479</b>	<b>36,575,868</b>
Full-time Equivalents Total*	186.90	186.90	191.90	191.90

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## Seattle City Light

### General Expenses Budget Control Level

The purpose of the General Expenses Budget Control Level is to provide for the general expenses of the Utility that, for the most part, are not directly attributable to a specific organizational unit. These expenditures include insurance, bond issue costs, bond maintenance fees, audit costs, Law Department legal fees, external legal fees, employee benefits (medical and retirement costs), industrial insurance costs, general claims costs, and services provided by the City's internal services departments through the central cost allocation mechanism.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
General Expenses	64,060,460	76,568,529	86,752,636	87,109,392
<b>Total</b>	<b>64,060,460</b>	<b>76,568,529</b>	<b>86,752,636</b>	<b>87,109,392</b>

### Human Resources Budget Control Level

The purpose of the Human Resources Budget Control Level is to provide employee and management support services, including safety programs, organizational development, training, personnel, and labor relations.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Human Resources	5,187,240	6,790,858	9,380,049	9,137,512
<b>Total</b>	<b>5,187,240</b>	<b>6,790,858</b>	<b>9,380,049</b>	<b>9,137,512</b>
Full-time Equivalents Total*	55.00	54.00	57.50	57.50

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### Long-Term Purchased Power Budget Control Level

The purpose of the Long-Term Purchased Power Budget Control Level is to acquire wholesale power, transmission, and other related services (including renewable energy credits) to meet the Utility's long-term demand for power. This Budget Control Level provides appropriations for planned transactions beyond 24 months in advance.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Long-Term Purchased Power	0	284,741,917	277,322,789	287,056,886
<b>Total</b>	<b>0</b>	<b>284,741,917</b>	<b>277,322,789</b>	<b>287,056,886</b>

## Seattle City Light

### **Office of Superintendent Budget Control Level**

The purpose of the Office of the Superintendent Budget Control Level is to provide leadership and broad departmental policy direction to ensure the effective delivery of reliable electric power, provide responsive customer service, and maintain the financial health of the utility. The Utility's communications and governmental affairs functions are included in this Budget Control Level.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Office of Superintendent	2,396,256	2,923,085	3,121,630	3,198,260
<b>Total</b>	<b>2,396,256</b>	<b>2,923,085</b>	<b>3,121,630</b>	<b>3,198,260</b>
Full-time Equivalents Total*	18.75	17.75	17.75	17.75

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### **Power Supply & Environmental Affairs - CIP Budget Control Level**

The purpose of the Power Supply & Environmental Affairs - CIP Budget Control Level is to provide for the capital costs of maintaining the physical generating plant and associated power license and regulatory requirements. This Budget Control Level supports capital projects identified in the Adopted 2012-2017 Capital Improvement Plan.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Power Supply & Environmental Affairs - CIP	29,801,792	46,196,214	72,923,920	63,417,769
<b>Total</b>	<b>29,801,792</b>	<b>46,196,214</b>	<b>72,923,920</b>	<b>63,417,769</b>
Full-time Equivalents Total*	73.26	73.26	73.26	73.26

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### **Power Supply O&M Budget Control Level**

The purpose of the Power Supply O&M Budget Control Level is to provide clean, safe, economic, efficient, reliable sources of electric power for City Light customers. This Budget Control Level supports the power generation and power marketing operations of the utility. Utility-wide support services such as shops, real estate, fleet, and facility management services are also included in this Budget Control Level.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Power Supply O&M	48,456,177	62,449,375	50,892,548	51,451,103
<b>Total</b>	<b>48,456,177</b>	<b>62,449,375</b>	<b>50,892,548</b>	<b>51,451,103</b>
Full-time Equivalents Total*	282.96	274.46	278.46	278.46

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# Seattle City Light

## Purchased Power Budget Control Level

The purpose of the Purchased Power Budget Control Level is to acquire power, transmission, and other services associated with wholesale power purchases in a cost-effective manner to meet the day-to-day electricity needs of City Light's retail customers. In the 2012 Adopted Budget, this Budget Control Level is replaced with the Short-term Purchased Power Budget Control Level and the Long-term Purchased Power Budget Control Level.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Purchased Power	299,073,099	0	0	0
<b>Total</b>	<b>299,073,099</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Short-Term Purchased Power Budget Control Level

The purpose of the Short-Term Purchased Power Budget Control Level is to acquire wholesale power, transmission, and other related services (including renewable energy credits) to manage the Utility's short-term demand given the variability of hydroelectric power. This Budget Control Level provides appropriations for planned transactions of up to 24 months in advance.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Short-Term Purchased Power	0	67,121,923	52,002,066	55,573,482
<b>Total</b>	<b>0</b>	<b>67,121,923</b>	<b>52,002,066</b>	<b>55,573,482</b>

## Taxes Budget Control Level

The purpose of the Taxes Budget Control Level is to pay City Light's legally required tax payments for state, city, and local jurisdictions. This Budget Control Level includes funding for franchise contract payments negotiated with local jurisdictions in City Light's service territory.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Taxes	74,431,324	78,472,239	81,554,950	86,159,048
<b>Total</b>	<b>74,431,324</b>	<b>78,472,239</b>	<b>81,554,950</b>	<b>86,159,048</b>

## Transmission and Distribution - CIP Budget Control Level

The purpose of the Transmission and Distribution - CIP Budget Control Level is to provide for the capital costs of installation, major maintenance, rehabilitation, and replacement of transmission lines, substations, distribution feeders, transformers, and other elements of the Utility's transmission and distribution systems. This Budget Control Level supports capital projects identified in the Adopted 2012-2017 Capital Improvement Plan.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Transmission and Distribution - CIP	0	64,871,719	66,042,527	83,447,858
<b>Total</b>	<b>0</b>	<b>64,871,719</b>	<b>66,042,527</b>	<b>83,447,858</b>
Full-time Equivalents Total*	0.00	156.06	156.06	156.06

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# Seattle City Light

## City Light Fund - 2013-2014 Proposed Budget

	2011 Actuals	2012 Adopted	2012 Revised	2013 Proposed	2014 Proposed
<b>Beginning Cash Balance</b>	<b>197,132,840</b>	<b>303,937,379</b>	<b>374,598,260</b>	<b>306,743,928</b>	<b>331,189,102</b>
Accounting and Technical Adjustments	227,907,400	174,477,828	226,818,533	202,564,759	149,960,721
Plus: Actual and Estimated Revenue	871,512,259	914,572,258	840,930,051	964,160,192	1,017,591,356
Less: Actual and Budgeted Expenditures	921,954,238	1,135,549,511	1,135,602,916	1,142,279,777	1,199,983,160
<b>Ending Cash Balance</b>	<b>374,598,260</b>	<b>257,437,954</b>	<b>306,743,928</b>	<b>331,189,102</b>	<b>298,758,019</b>
Less: Reserves Against Cash Balances					
Restricted Accounts*	16,237,111	28,026,748	37,256,749	73,733,402	94,308,936
Contingency Reserve / RSA**	141,490,368	139,000,000	91,553,549	92,993,726	94,975,855
Construction Account	61,459,971			38,710,267	
<b>Total Reserves</b>	<b>219,187,449</b>	<b>167,026,748</b>	<b>128,810,297</b>	<b>205,437,395</b>	<b>189,284,792</b>
<b>Ending Unreserved Cash Balance***</b>	<b>155,410,811</b>	<b>90,411,206</b>	<b>177,933,631</b>	<b>125,751,707</b>	<b>109,473,227</b>

\*Includes Special Deposits, Debt Service Account, and Bond Reserves. Does not include the Construction Account.

\*\*There is little change in the RSA balance from 2012 to 2014 because the proposed 2013-14 Budget assumes that Net Wholesale Revenue RSA Baseline amount, therefore there will be no transfers between the RSA and Operating Cash and no RSA Surcharge in those years. The slight increase from year to year reflects interest earned on cash and short-term investments held in the account. The RSA Baseline amount of Net Wholesale Revenue is per the Strategic Plan.

\*\*\*Includes All City Light Cash other than Special Deposits, Debt Service Account, and Bond Reserve.



# Seattle Public Utilities

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Ray Hoffman, Director

Department Information Line: (206) 684-3000

On the Web at: <http://www.seattle.gov/util/>



## Department Overview

Seattle Public Utility's (SPU) mission is to provide reliable, efficient, and environmentally conscious utility services to enhance the quality of life and livability in all communities SPU serves.

SPU is composed of three major direct-service providing utilities: the Water Utility, the Drainage and Wastewater Utility, and the Solid Waste Utility. All three utilities strive to operate in a cost-effective, innovative, and environmentally responsible manner.

The Water Utility provides more than 1.3 million people with a reliable supply of clean and safe water for drinking and other uses. The system extends from Edmonds to Des Moines and from Puget Sound to Lake Joy near Duvall. SPU retails water in Seattle and adjacent areas, and sells water wholesale to 21 suburban water utilities and two interlocal associations for distribution to their customers. The Water Utility includes 1,800 miles of pipeline, 30 pump stations, 15 treated water reservoirs, three wells, and 104,000 acres in two watersheds.

The Drainage and Wastewater Utility collects and conveys sewage and stormwater. The drainage and wastewater system includes approximately 448 miles of sanitary sewers, 968 miles of combined sewers, 460 miles of storm drains, 68 pump stations, 90 permitted combined sewer overflow outfalls, 342 storm drain outfalls, 130 stormwater quality treatment facilities, 145 flow control facilities, and 38 combined sewer overflow control detention tanks and pipes. In addition to traditional infrastructure, SPU regulates, plans, builds and maintains green stormwater infrastructure, an increasingly important option for managing stormwater. Appropriate approaches to managing sewage and stormwater that can carry pollutants into the region's lakes, rivers, and Puget Sound are vital to preserve public health and environmental quality.

The Solid Waste Utility collects and processes recycling, compostables, and residential and commercial garbage. To fulfill this responsibility the City owns two transfer stations, two household hazardous waste facilities, a fleet of trucks and heavy equipment, and two closed landfills. In addition, SPU administers contracts with private

## Seattle Public Utilities

contractors who collect household refuse, compostables, and recyclables and deliver the material to the recycling and composting facilities and to disposal stations for its ultimate processing or disposal. The Solid Waste Capital Improvement Plan (CIP) supports the transfer stations, heavy equipment, and post-closure projects on two landfills previously used by the City.

SPU operations and capital programs are funded almost entirely by fees and charges paid by ratepayers who use SPU's solid waste, drainage, wastewater, and drinking water systems. SPU also actively seeks grants to support system maintenance and improvements, and receives reimbursements from other City departments and funds for services provided to those agencies.

Rates proposed in 2012 for the period 2013-2016 inform the 2013-2014 budgets for solid waste and drainage and wastewater included in this document. Because 2013 is the second year in a well-defined two year rate period for water rates, the 2013 budget for this utility has very little programmatic change.

Water rates, in contrast, were last established in 2011 for the period 2012-2014. New water rates were developed to support the operating and capital service levels included in the 2013-2014 Proposed Budget. The Water Utility budget adopted for 2013 therefore has programmatic differences from the 2012 Adopted Budget. The 2012-2014 Water Rate proposal can be found here: <http://www.seattle.gov/util/Services/Water/WaterRates/index.asp>

SPU monitors its funds using financial targets and employs these metrics to communicate about the financial health of its utilities with the Mayor and Council, Seattle residents and businesses, and the bond rating agencies. Financial performance metrics include net income; year-end cash balance; the amount of cash versus debt dedicated to the CIP; debt service coverage, which is the amount of cash available to pay annual debt service after day-to-day system expenses are paid; and, for the Drainage and Wastewater Fund, the debt to asset ratio. As a result of strong financial management and a commitment on the part of elected officials to establishing prudent rates, SPU has some of the strongest bond ratings of any utility in the country. SPU's Water and Drainage and Wastewater bonds are rated one notch below the highest rating by both S&P (AA+) and Moody's (Aa1), while Solid Waste bonds, which traditionally are viewed as more risky by ratings agencies, are just slightly lower and still categorized as High Grade High Quality bonds (AA and Aa3 from the two agencies, respectively). These high ratings help SPU sell revenue bonds to fund infrastructure investments at the lowest costs possible. This benefits the utilities and the rate payers they serve.

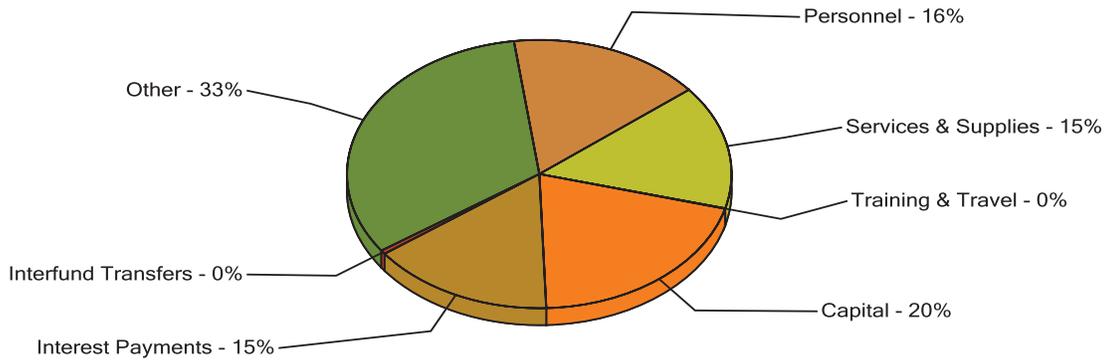
### Budget Snapshot

Department Support	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
General Fund Support	\$1,180,309	\$1,205,360	\$1,139,072	\$1,166,569
Other Funding - Operating	\$608,926,466	\$650,245,526	\$676,912,889	\$693,898,246
<b>Total Operations</b>	<b>\$610,106,775</b>	<b>\$651,450,886</b>	<b>\$678,051,961</b>	<b>\$695,064,814</b>
Other funding - Capital	\$159,944,931	\$167,786,626	\$171,868,429	\$208,219,822
<b>Total Appropriations</b>	<b>\$770,051,706</b>	<b>\$819,237,512</b>	<b>\$849,920,390</b>	<b>\$903,284,636</b>
Full-time Equivalent Total*	1,420.75	1,411.05	1,400.55	1,400.55

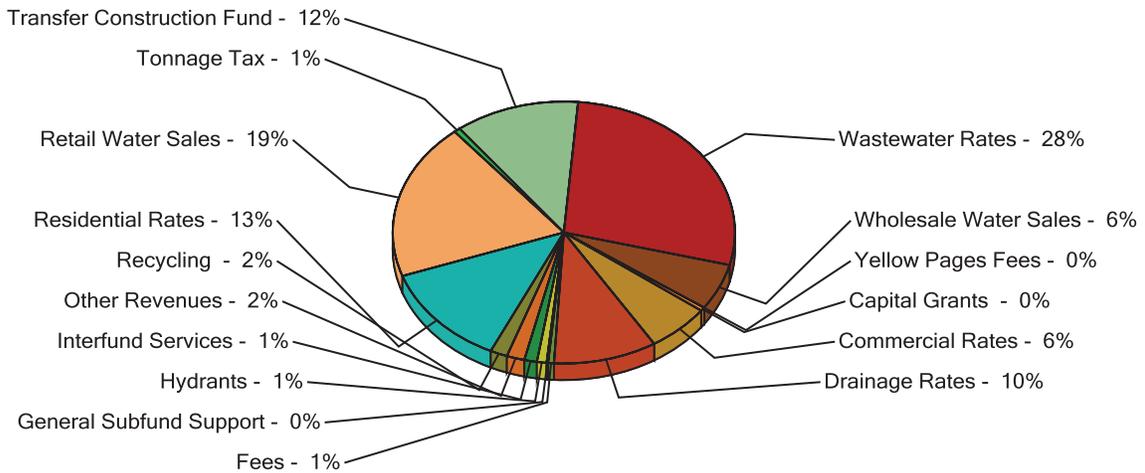
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# Seattle Public Utilities

## 2013 Proposed Budget - Expenditure by Category



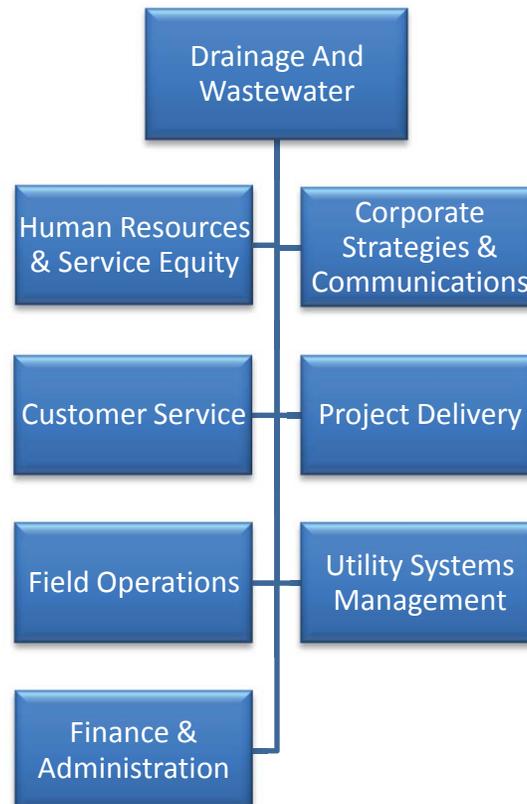
## 2013 Proposed Budget - Revenue by Category





# Seattle Public Utilities Drainage and Wastewater

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## Division Overview

The Drainage and Wastewater Utility provides wastewater and stormwater management services to residences and businesses in the city of Seattle. It is supported almost entirely by utility fee revenue. For wastewater, SPU collects charges based on metered water usage via the SPU combined utility bill. For drainage, SPU charges Seattle property owners fees based on property characteristics contributing to stormwater runoff. The drainage fee appears as a line item on King County property tax bills.

The Drainage and Wastewater Utility budget is experiencing growth driven by federal and state regulatory requirements and rate increases are needed in 2013, 2014, and 2015 to cover increasing operating and capital expenses. Cash and debt financing of new capital projects is also a major driver of the rates.

Under the Executive's Drainage and Wastewater rate proposal, submitted to the City Council in June 2012, typical monthly residential bills in 2013 would increase by 9.9% or \$2.17 for drainage, and increase by 1.7% or \$0.77 for wastewater. Comparable increases are proposed for 2014 and 2015.

## Seattle Public Utilities – Drainage and Wastewater

These proposed rate increases do not reflect a separate action by the King County Council on June 11, 2012, to adopt a 10.2% increase in the rate charged to entities that use the County's wastewater treatment facilities, effective January 1, 2013. The County's action will increase the wastewater and drainage bills of SPU's customers, but is addressed in legislation separate from the Executive's Drainage and Wastewater rate proposal.

### Consent Decree with the EPA

SPU has recently negotiated a Consent Decree with the U.S. Environmental Protection Agency (EPA). The Consent Decree requires SPU to make improvements to the combined sewer system, through development and implementation of a Long Term Control Plan to address issues concerning Combined Sewer Overflows (CSOs). The Consent Decree also requires SPU to make improvements to the sanitary sewer system, through implementation of SPU's Capacity Maintenance Operations Management (CMOM) plan, a six-year road map for reducing the occurrence of sanitary sewer overflows (SSOs). Several of the changes in the Drainage and Wastewater Fund's 2013-2014 Proposed Budget will allow SPU to comply with these regulatory requirements.

CSOs can spill a mixture of raw sewage and stormwater into local waterways at 92 historic outfalls throughout the city of Seattle, primarily during periods of heavy rain. These spills violate water quality standards, raise public health concerns, and contaminate sediment and habitat for endangered species. Although expensive, improving the combined sewer system to prevent overflows is a regulatory requirement. State and federal law require SPU to achieve control of CSOs by 2025 through a Long Term Control Plan to be completed by 2015. Under the Consent Decree, SPU's approach to meeting this regulatory requirement will include development of an integrated plan to sequence and prioritize CSO control and other stormwater projects based on water quality impacts. This integrated plan will be submitted to EPA and the Washington State Department of Ecology as a section of the Long Term Control Plan and will provide for alternative and flexible approaches to improving water quality for SPU's entire system, while still meeting CSO requirements. The 2013-2014 Proposed Budget provides funding for the development of this integrated plan.

Sanitary sewer overflows are addressed by CMOM, which focuses on eliminating unanticipated sewage releases from the City's conveyance system that occur outside of permitted CSO outfalls. The Consent Decree allows SPU to use the CMOM six-year roadmap as a basis for implementing a "performance based" approach to addressing these releases, rather than a more expensive prescriptive program. Under this more flexible and cost-effective approach, SPU will use CMOM to analyze the drainage and wastewater system, enhance its understanding of the underlying reasons for system backups, and design programs and solutions that reduce the occurrence of overflows. The 2013-2014 Proposed Budget supports this CMOM work by providing funding for enhanced data collection and system analysis, as well as development of standard operating procedures and a quality assurance control program for field crew performance.

### Compliance with NPDES

The City's two National Pollutant Discharge Elimination System (NPDES) permits, one for stormwater and one for the combined sewer system, guide other proposed drainage and wastewater budget adjustments. SPU is required by state law to update the City's Stormwater Code and manuals in order to maintain equivalency with the NPDES permit and the Washington State Department of Ecology's new Stormwater Manual. Due to limited staff resources and the volume of work required, additional funding is proposed to comply with these requirements.

### Identifying Efficiencies and Reallocating Staff

SPU continues to evaluate the staffing resources needed to accomplish its highest priorities, and find more efficient and effective ways to deliver services to its customers. To meet staffing needs related to regulatory requirements and to fill other critical business needs, the 2013-2014 Proposed Budget transfers six positions into the Drainage and Wastewater Utility from the Water Utility and creates four new positions. To offset the new positions, the proposed budget eliminates seven Drainage and Wastewater

## Seattle Public Utilities – Drainage and Wastewater

These positions provide internal support within the Drainage and Wastewater Utility and SPU does not anticipate any noticeable impact to service levels.

SPU is also cutting back on some activities that are more discretionary and lower priority. In the 2013-2014 Proposed Budget, these changes include reductions to non-regulatory monitoring and performance evaluation of the drainage and wastewater system, non-essential pipe cleaning, long-term strategic planning for the city's urban watersheds, outreach and education efforts, and corporate administrative support activities.

### Capital Spending

Increasing regulatory emphasis on protecting and improving water quality has resulted in the need for Seattle to make substantial long-term investments in wastewater and stormwater detention and treatment, and green stormwater infrastructure. SPU's 2013-2018 Proposed CIP for Drainage and Wastewater, excluding Technology, is approximately \$87.3 million in 2013 and \$93.8 million 2014. Additional detail is provided in the 2013-2018 Proposed CIP.

## Incremental Budget Changes

### Seattle Public Utilities – Drainage & Wastewater Utility

	2013		2014	
	Budget	FTE	Budget	FTE
<b>Total 2012 Adopted Budget</b>	<b>\$ 377,608,275</b>	<b>536.30</b>	<b>\$ 377,608,275</b>	<b>536.30</b>
<b>Baseline Changes</b>				
Citywide Adjustments for Standard Cost Changes and CIP Allocation Changes	\$ 31,956,015	0.00	\$ 2,809,844	0.00
Departmental Technical Changes	-\$ 14,402	0.00	-\$ 14,402	0.00
<b>Proposed Policy Changes</b>				
Consent Decree – Combined Sewer Integrated Planning Cost	\$ 500,000	0.00	\$ 500,000	0.00
Consent Decree – Sanitary Sewer Data Collection and Analysis	\$ 670,000	0.00	\$ 670,000	0.00
NPDES Stormwater Code and Manual Update	\$ 250,000	0.00	\$ 50,000	0.00
Side Sewer Mapping Compliance	\$ 200,000	2.00	\$ 200,000	2.00
Stormwater Monitoring Regulatory Compliance	-\$ 285,000	0.00	\$ 178,000	0.00
Engineering and Geographic Information System Reductions	-\$ 172,404	0.00	-\$ 179,300	0.00
Duwamish Pipeline Cleaning Reduction	-\$100,000	0.00	-\$100,000	0.00
Urban Watershed Planning Reduction	-\$ 167,200	0.00	-\$ 167,200	0.00
Below Ground Sewer Rat Control Reduction	-\$ 100,000	0.00	-\$ 100,000	0.00
Water Quality Monitoring Reductions	-\$ 132,000	0.00	-\$ 132,000	0.00
Miscellaneous Non-Labor Reductions	-\$ 194,441	0.00	-\$ 194,441	0.00
Reduce Professional Service and Other Departmental Support Costs	-\$ 856,159	0.00	-\$ 856,159	0.00

## Seattle Public Utilities – Drainage and Wastewater

Drainage and Wastewater Fund Position Adjustments	-\$ 226,440	1.00	-\$ 226,440	1.00
Education and Outreach Reductions	-\$ 319,000	0.00	-\$ 319,000	0.00
Common Operating Picture Initiative	\$ 18,631	0.00	\$ 18,850	0.00
Drainage and Wastewater CIP	-\$ 28,174,702	0.00	\$ 14,262,240	0.00
Technology CIP	\$ 1,549,698	0.00	\$ 61,854	0.00
<b>Proposed Technical Changes</b>				
Taxes Budget Adjustment	\$ 1,857,924	0.00	\$ 1,551,727	0.00
Debt Service Budget Adjustment	\$ 4,406,351	0.00	\$ 6,363,978	0.00
Technical Adjustments	\$ 1,449,311	0.00	\$ 1,456,344	0.00
King County Wastewater Treatment Contract	\$ 10,642,590	0.00	\$ 7,249,662	0.00
<b>Total Incremental Changes</b>	<b>\$ 22,758,772</b>	<b>3.00</b>	<b>\$ 33,083,557</b>	<b>3.00</b>
<b>2013 Proposed - 2014 Proposed Budget</b>	<b>\$400,367,047</b>	<b>539.30</b>	<b>\$ 410,691,832</b>	<b>539.30</b>

### Description of Incremental Budget Changes

#### Baseline Changes

##### **Citywide Adjustments for Standard Cost Changes and CIP Allocation Changes - \$31,956,015**

Citywide technical adjustments made in the "Baseline Phase" reflect changes due to inflation, central cost allocations, retirement, health care, workers' compensation, employment costs, and debt service. These adjustments reflect initial assumptions about these costs and inflators early in the budget process. Also included here are adjustments to reconcile Seattle Public Utility's (SPU) appropriations to the 2013-2014 planned allocations shown in the 2012-2017 Adopted CIP.

##### **Departmental Technical Changes – (\$14,402)**

This adjustment reduces the appropriate amount in the Drainage and Wastewater Fund to arrive at the new 2013 anticipated contract amount for support of the Neighborhood Payment Information System (NPIS). Administration of the system transferred from the Department of Neighborhoods to the Department of Finance and Administrative Services in 2012, resulting in efficiencies and reduced costs. The NPIS supports both SPU and Seattle City Light by allowing customers to remit payments at various locations throughout the city.

#### Proposed Policy Changes

##### **Consent Decree -- Combined Sewer Integrated Planning Cost - \$500,000**

This adjustment provides consultant funding related to the Combined Sewer Overflows (CSOs) provisions of SPU's Consent Decree with the U.S. Environmental Protection Agency (EPA). Under the Consent Decree, SPU will develop an integrated plan to sequence and prioritize CSO projects based on water quality impacts, reflecting that some CSO control projects provide greater water quality benefits than others. The plan also provides SPU with an opportunity to identify higher impact water quality actions and projects that are not directly related to CSOs. SPU faces a deadline of developing the integrated plan by 2016. Funding is provided for consultant services to support SPU's Integrated Planning Team in conducting technical evaluations and documenting results.

# Seattle Public Utilities – Drainage and Wastewater

## **Consent Decree -- Sanitary Sewer Data Collection and Analysis - \$670,000**

This adjustment provides consultant funding related the sanitary sewer system provisions of SPU's Consent Decree with the EPA. Funding is provided for enhanced data collection and system analysis related to implementation of SPU's Capacity Maintenance Operations Management (CMOM) six-year roadmap. The funding will allow SPU to better understand the underlying reasons for sanitary sewer system backups and improve system performance. These additional costs are partially offset by savings in professional services, reflecting anticipated completion of the Consent Decree negotiations in 2012.

## **NPDES Stormwater Code and Manual Update - \$250,000**

SPU is required by state law to update the City's Stormwater Code and manuals by 2013 in order to maintain equivalency with the City's National Pollutant Discharge Elimination System (NPDES) permit, issued by the EPA, and the Washington State Department of Ecology's new Stormwater Manual. This adjustment funds consultant support needed to comply with these requirements. Failure to comply with permit requirements within specified timelines will subject the City to the risk of fines and potential third-party lawsuits.

## **Side Sewer Mapping Compliance - \$200,000 / 2.0 FTE**

This adjustment provides staff and funding for SPU to eliminate a backlog in mapping work related to side sewer site plans. Currently, there is a backlog of 8,000 side sewer site plans not entered into the City's Geographic Information System (GIS). Failure to address the backlog would place the City out of compliance with the City's NPDES Stormwater Permit. The requested funding covers the cost of two positions to eliminate the backlog, prevent future backlogs, and provide a sustainable level of staffing for complying with side sewer mapping requirements. The positions that will perform this work are transferring into the Drainage and Wastewater Utility from the Water Utility.

## **Stormwater Monitoring Regulatory Compliance - (\$285,000)**

This adjustment reflects savings in 2013 associated with reduced costs related to stormwater monitoring required by the City's NPDES stormwater permit. The City's permit is typically issued for a 5-year period. As a result of legislative actions, a new 1-year permit became effective August 2012, and beginning August 2013, the permit will return to its 5-year cycle. It is anticipated that during the 1-year permit only a continuation of unfinished monitoring from the current permit will be required, which will significantly decrease SPU's monitoring costs through August 2013. Costs will increase in 2014 under the City's new 5-year permit, when SPU will be required to pay an annual fee into a regional stormwater monitoring program and begin performance monitoring of the Capitol Hill Water Quality facility.

## **Engineering and Geographic Information System Reductions - (\$172,404)**

The Engineering Records Vault, which is currently supported by the General Fund, provides City employees, citizens and the private sector, including land surveyors and engineering firms, with information regarding project engineering plans, project as-built information, property lines, side sewers, and underground utility information among other items. SPU recently reviewed the users of the Vault and found that SPU and Seattle City Light (SCL) are also customers. This reduction reallocates a portion of the costs of operating the Vault to SPU and SCL based on their usage. This results in a net overall reduction to the General Fund support, but with an increased cost for the Drainage and Wastewater Fund.

Another SPU program that receives General Fund support is the City Geographic Information System (GIS) Program, which has been engaged in a four-year project to eliminate a backlog of Central Geographic Database (CGDB) data update needs. This work has been completed and this adjustment eliminates the Drainage and Wastewater funding dedicated for this backlog work. This reduction leaves the program with a data maintenance budget sufficient to maintain the current level of quality and accuracy, including responding to changes such as new subdivisions, lot line changes, and street name changes.

## Seattle Public Utilities – Drainage and Wastewater

### **Duwamish Pipeline Cleaning Reduction - (\$100,000)**

Pipeline cleaning is one of the three major initiatives in the overall Duwamish Source Control Program, which aims at reducing contaminated sediments flowing through stormwater pipes to the Duwamish River. With the help of regulatory agencies, SPU routinely identifies pipes that contain sediments contaminated from illegal discharges. To prevent the contamination from reaching receiving water bodies, SPU cleans the pipes and disposes of the contaminated sediment. Currently, there is no specific minimum amount of line cleaning that must be completed as a part of a regulatory requirement. This reduction will leave enough resources to perform a minimum amount of line cleaning, and SPU will continue to seek grants to support additional line cleaning.

### **Urban Watershed Planning Reduction - (\$167,200)**

The Watershed Science and Strategy group within SPU provides scientific advisory services and expertise to inform actions which might alter or improve the quality of creeks, lakes, and other water bodies within Seattle. This adjustment reduces funding for the group to conduct long-term strategic planning of environmental improvements in the city's urban watersheds, including eliminating one internship position and reducing support for a regional salmon pre-spawning mortality study. The group will continue to provide environmental expertise to planning efforts within SPU, but it will not be able to initiate or lead strategic planning efforts or take on new work. The bulk of SPU's watershed services functions, including capital project involvement and studies, will remain unaffected.

### **Below Ground Sewer Rat Control Reduction - (\$100,000)**

SPU contracts with Public Health – Seattle and King County (PHSKC) to provide below ground rodent control. This service has been budgeted to include 2.0 FTEs (King County employees) to inspect sewer maintenance holes, set rat bait in maintenance holes, and perform public education and outreach to reduce rodent habitat in sewer pipes. The budget also supports the cost of two vehicles, supplies, workspace and occasional staff to provide data management and GIS support. This adjustment better aligns SPU's budget to actual payments to the County, reflecting the service level currently provided by the County. The County is aware of and has agreed to this proposed change.

### **Water Quality Monitoring Reductions - (\$132,000)**

This adjustment reduces funding in several areas of water quality monitoring. SPU has a regulatory requirement to conduct flow monitoring in the Thornton Creek Water Quality Channel through 2012. This work is currently contracted out. This adjustment discontinues the monitoring at the end of 2012, allowing SPU to eliminate the monitoring contract and reduce related funding for consultant support. Additionally, SPU provides pollution spill kits to Seattle businesses to prevent oil, chemicals and other pollutants from spilling into the storm drainage system and going directly into waterways without treatment. SPU will reduce the program's annual budget from \$30,000 to \$20,000.

SPU also monitors and evaluates the drainage and wastewater system to better understand its performance, ensure optimal operations and configuration, and collect data to handle claims and make other investigations. Current efforts include monitoring of the Jackson Park and Meadowbrook Ponds. SPU will reduce the work performed by consultants and will either delay monitoring at some existing surface water or stormwater facilities, find other lower cost methods of conducting the monitoring, or shift existing staff resources to acquire the information needed. This change will leave SPU with adequate resources to maintain current service levels, but any anticipated new monitoring activities may need to be deferred.

# Seattle Public Utilities – Drainage and Wastewater

## **Miscellaneous Non-Labor Reductions - (\$194,441)**

This adjustment makes reductions to various non-labor operating activities. These changes include reducing consultant services for work related to developing software for stormwater sampling, and reducing the budget for maintenance work on drainage and wastewater facilities to be consistent with recent historical spending. The adjustment also includes a reduction in the Drainage and Wastewater Utility's contingency budget, which will limit SPU's ability to absorb new work or respond to unforeseen needs.

## **Reduce Professional Service and Other Departmental Support Costs - (\$856,159)**

SPU is reducing the budgets for support costs throughout the Department, primarily through reductions in professional services, administration, and travel and training budgets. This adjustment represents the Drainage and Wastewater Fund's portion of this departmental reduction.

## **Drainage and Wastewater Fund Position Adjustments - (\$226,440) / 1.0 FTE**

This adjustment transfers in four positions from the Water Utility to Drainage and Wastewater Utility's Field Operations and Project Delivery branches and creates four new positions in the Field Operations, Project Delivery, and Utility System Management branches in order to meet NPDES permit requirements, the recent EPA Consent Decree in addressing CSO standards, and street inspection staffing needs. To offset the new positions, this adjustment also eliminates seven positions in the Finance and Administration, Field Operations, Project Delivery, and Utility System Management branches. The position reductions include senior level, represented and non-represented positions, and will reduce capacity for water quality planning, real property services, and core support services in the Drainage and Wastewater Utility. SPU does not anticipate noticeable service impacts with this change. In addition, this adjustment converts the status of a term-limited position to permanent status, reflecting SPU's on-going need for the position's GIS duties and assignment in the division.

## **Education and Outreach Reductions - (\$319,000)**

SPU conducts numerous programs aimed at increasing public awareness and knowledge about critical water quality health issues, flood prevention, and the stormwater-related impacts of landscape maintenance and construction practices. In an effort to generate savings, SPU will decrease outreach for programs, including Savvy Gardener education and RainWise outreach. SPU will also decrease budgets for various water quality education programs, including eliminating the Adopt-a-Drain/Fall Clean program; reducing efforts to minimize the water quality impacts of automotive maintenance, pet waste, and car washing; and reducing funding for K-12 Education, Salmon Homecoming, and storm drain stenciling. Finally, SPU will eliminate the wastewater portion of outreach related to leak prevention. SPU will continue various outreach and education programs but at reduced levels.

## **Common Operating Picture Initiative - \$18,631**

This funding provides for the Drainage and Wastewater Fund's portion of expected costs to operate and maintain the Common Operating Picture system being developed by the Seattle Police Department (SPD). The system will be used by SPU, Seattle City Light, Seattle Department of Transportation, Seattle Fire Department, and SPD to coordinate incident response and public safety related events. It will provide the City of Seattle with a real-time tool to manage events such as winter storms, critical emergencies, as well as a variety of major events like Seafair. The system is to be used in daily operations as well as during a major incident response. SPD has the lead role regarding system administration and operational coordination.

# Seattle Public Utilities – Drainage and Wastewater

## **Drainage and Wastewater CIP - (\$28,174,702)**

This adjustment revises 2013 funding for the six-year Drainage and Wastewater Fund capital program, relative to the 2013 planned spending shown in the 2012-2017 Adopted CIP. Specifically, compared to the 2012-2017 Adopted CIP, costs for CSO projects are \$9.4 million lower in 2013 and \$19.7 million higher in 2014, due primarily to project schedule changes. In the Flooding, Sewer Backup and Landslides Capital Budget, decreases totaling approximately \$9.6 million in 2013 and \$2 million in 2014 compared to the 2012-2017 Adopted CIP Budget are driven primarily by reductions in the Localized Flood Control Program, the Broadview Long Term Plan, and the Culvert Replacement Program. Additional detail is provided in the 2013-2018 Proposed CIP.

## **Technology CIP - \$1,549,698**

This adjustment increases 2013 funding for the Drainage and Wastewater Fund's portion of the six-year Technology Capital program, relative to the 2013 planned spending shown in the 2012-2017 Adopted CIP. Additional detail is provided in the 2013-2018 Proposed CIP.

## **Proposed Technical Changes**

### **Taxes Budget Adjustment - \$1,857,924**

This technical adjustment provides increased budget authority to pay for forecasted tax costs. The increase will better align anticipated tax costs based on revised revenue projections consistent with the current drainage and wastewater rate proposal.

### **Debt Service Budget Adjustment - \$4,406,351**

This technical adjustment provides increased budget authority to pay debt service costs. The increase primarily reflects paying debt service on a debt issuance by the Drainage and Wastewater Fund of \$87 million in mid-2012.

### **Technical Adjustments - \$1,149,311**

Technical adjustments in the 2013-2014 Proposed Budget include departmental and citywide non-programmatic adjustments that do not represent fundamental changes in the Drainage and Wastewater Utility's programs and services. Adjustments include changes in central cost allocations, retirement, health care, workers' compensation, and unemployment costs; the distribution of overhead costs between SPU funds; changes to fees charged by SPU's vendor for processing on-line payments; and the shift of labor dollars from the CIP to the O&M budget based on the latest CIP planning.

### **King County Wastewater Treatment Contract - \$10,642,590**

This adjustment reflects an increase in the forecasted cost to SPU in 2013 of the King County Wastewater Treatment Contract. Payments to King County for wastewater treatment are the single largest component of total Drainage and Wastewater Fund operating expense. This change is driven in large part by King County's approval in June 2012 of a 10.2% increase in the 2013 treatment rate.

## Seattle Public Utilities – Drainage and Wastewater

### Expenditure Overview

Appropriations	Summit Code	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
<b>Drainage &amp; Wastewater Utility</b>					
<b>Administration Budget Control</b>					
Administration		12,698,544	14,759,318	14,893,122	15,176,069
General and Administrative Credit		-8,011,338	-9,165,778	-9,757,265	-8,927,697
<b>Total</b>	<b>N100B-DW</b>	<b>4,687,206</b>	<b>5,593,540</b>	<b>5,135,857</b>	<b>6,248,372</b>
<b>Combined Sewer Overflows Budget Control Level</b>	<b>C360B</b>	<b>15,327,538</b>	<b>26,887,630</b>	<b>43,834,341</b>	<b>49,201,662</b>
<b>Customer Service Budget Control Level</b>	<b>N300B-DW</b>	<b>6,201,848</b>	<b>7,425,526</b>	<b>7,350,019</b>	<b>7,506,712</b>
<b>Flooding, Sewer Back-up, and Landslides Budget Control Level</b>	<b>C380B</b>	<b>15,418,696</b>	<b>24,186,341</b>	<b>16,710,198</b>	<b>17,201,000</b>
<b>General Expense Budget Control</b>					
Debt Service		38,297,394	41,832,081	43,026,929	45,195,400
Other General Expenses		138,518,474	139,567,179	154,194,645	154,094,672
Taxes		36,031,075	38,235,239	40,857,868	41,448,670
<b>Total</b>	<b>N000B-DW</b>	<b>212,846,944</b>	<b>219,634,499</b>	<b>238,079,442</b>	<b>240,738,742</b>
<b>Other Operating Budget Control</b>					
Field Operations		19,017,473	19,550,762	21,219,706	21,714,559
Pre-Capital Planning & Development		2,125,920	1,551,378	2,246,416	2,281,249
Project Delivery		8,687,893	11,093,977	10,749,154	10,734,544
Utility Systems Management		16,570,705	18,921,042	19,455,810	20,095,072
<b>Total</b>	<b>N400B-DW</b>	<b>46,401,991</b>	<b>51,117,159</b>	<b>53,671,086</b>	<b>54,825,424</b>
<b>Protection of Beneficial Uses Budget Control Level</b>	<b>C333B</b>	<b>3,379,234</b>	<b>4,799,701</b>	<b>5,108,000</b>	<b>5,141,941</b>
<b>Rehabilitation Budget Control Level</b>	<b>C370B</b>	<b>8,878,087</b>	<b>12,622,929</b>	<b>9,190,498</b>	<b>8,770,000</b>
<b>Sediments Budget Control Level</b>	<b>C350B</b>	<b>7,606,066</b>	<b>5,594,648</b>	<b>1,678,965</b>	<b>2,050,342</b>
<b>Shared Cost Projects Budget Control Level</b>	<b>C410B-DW</b>	<b>7,995,177</b>	<b>14,930,876</b>	<b>10,728,360</b>	<b>11,394,835</b>
<b>Technology Budget Control Level</b>	<b>C510B-DW</b>	<b>3,228,713</b>	<b>4,815,426</b>	<b>8,880,280</b>	<b>7,612,800</b>
<b>Division Total</b>		<b>331,971,500</b>	<b>377,608,275</b>	<b>400,367,047</b>	<b>410,691,832</b>
<b>Division Full-time Equivalents Total*</b>		<b>539.50</b>	<b>536.30</b>	<b>539.30</b>	<b>539.30</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 Public Utilities – Drainage and Wastewater

### 2013 Estimated Revenues

Summit Code	Source	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
408000	Capital Grants and Contributions (excluding donated assets)	7,475,683	4,524,622	1,850,000	1,850,000
	<b>Total Capital Grants/Contributions</b>	<b>7,475,683</b>	<b>4,524,622</b>	<b>1,850,000</b>	<b>1,850,000</b>
443610	Drainage Utility Services	67,580,463	75,128,643	80,644,124	88,704,395
	<b>Total Drainage Rates</b>	<b>67,580,463</b>	<b>75,128,643</b>	<b>80,644,124</b>	<b>88,704,395</b>
443691	Side Sewer Permit Fees	1,030,318	905,125	1,030,318	1,030,318
443694	Drainage Permit Fees	247,935	214,280	247,935	247,935
	<b>Total Fees</b>	<b>1,278,253</b>	<b>1,119,405</b>	<b>1,278,253</b>	<b>1,278,253</b>
543210	GF - Various GIS & Eng Svcs (N4303 & N2418)	0	1,205,361	1,105,086	1,129,271
705000	General Subfund -- Transfer In - - Restore Our Waters	0	0	0	0
705000	GF Reimbursement of Abandoned Vehicles	53,459	0	0	0
	<b>Total General Subfund Support</b>	<b>53,459</b>	<b>1,205,361</b>	<b>1,105,086</b>	<b>1,129,271</b>
437010	Call Center Reimbursement from SCL	1,671,433	1,688,806	1,607,894	1,640,454
443210	GIS CGDB Corporate Support (N2408 and N2418)	1,589,558	1,171,233	1,110,763	1,138,048
543210	GIS Maps & Publications (N2409 and 2419)	9,882	157,619	157,619	157,619
543210	Parks & Other City Depts. (N4405)	72,546	511,053	511,053	511,053
543210	SCL for ReLeaf	0	80,000	132,600	135,653
543210	SCL Fund (N4403)	719,379	339,176	339,176	339,176
543210	SDOT Fund (N4404)	2,456,841	3,570,771	1,968,685	1,992,870
	<b>Total Interfund Services</b>	<b>6,519,639</b>	<b>7,518,659</b>	<b>5,827,790</b>	<b>5,914,872</b>
461110	Build America Bond Interest Income	1,885,646	1,886,000	1,885,646	1,885,646
469990	Other Operating Revenues	85,985	53,349	90,775	93,952
479010	Operating Grants	2,309,750	315,042	841,000	841,000
705000	Technical Adjustments	0	0	0	0
	<b>Total Other Revenues</b>	<b>4,281,381</b>	<b>2,254,391</b>	<b>2,817,420</b>	<b>2,820,598</b>
469990	Transfer from Construction Fund	44,321,166	69,859,976	61,348,621	63,477,374
	<b>Total Transfer from Construction Fund</b>	<b>44,321,166</b>	<b>69,859,976</b>	<b>61,348,621</b>	<b>63,477,374</b>
443510	Wastewater Utility Services	206,643,906	211,886,469	228,358,774	226,368,755

## Seattle Public Utilities – Drainage and Wastewater

<b>Total Wastewater Rates</b>		<b>206,643,906</b>	<b>211,886,469</b>	<b>228,358,774</b>	<b>226,368,755</b>
<b>Total Revenues</b>		<b>338,153,950</b>	<b>373,497,525</b>	<b>383,230,068</b>	<b>391,543,518</b>
379100	Decrease (Increase) in Working Capital	-6,182,257	4,110,750	16,742,642	18,575,194
<b>Total Decrease (Increase) in Working Capital</b>		<b>-6,182,257</b>	<b>4,110,750</b>	<b>16,742,642</b>	<b>18,575,194</b>
<b>Total Resources</b>		<b>331,971,693</b>	<b>377,608,275</b>	<b>399,972,710</b>	<b>410,118,712</b>

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

#### Administration Budget Control Level

The purpose of the Drainage and Wastewater Utility Administration Budget Control Level is to provide overall management and policy direction for Seattle Public Utilities and, more specifically, for the Drainage and Wastewater Utility, and to provide core financial, human resource, and information technology services.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Administration	12,698,544	14,759,318	14,893,122	15,176,069
General and Administrative Credit	-8,011,338	-9,165,778	-9,757,265	-8,927,697
<b>Total</b>	<b>4,687,206</b>	<b>5,593,540</b>	<b>5,135,857</b>	<b>6,248,372</b>
Full-time Equivalents Total*	59.75	59.75	58.75	58.75

\* 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 Administration Budget Control Level:**

#### **Administration Program**

The purpose of the Drainage and Wastewater Utility Administration Program is to provide overall management and policy direction for Seattle Public Utilities and, more specifically, for the Drainage and Wastewater Utility, and to provide core financial, human resource, and information technology services to the entire Department.

<b>Expenditures/FTE</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Administration	12,698,544	14,759,318	14,927,975	15,238,570
Full-time Equivalents Total	59.75	59.75	58.75	58.75

# Seattle Public Utilities – Drainage and Wastewater

## General and Administrative Credit Program

The purpose of the Drainage and Wastewater Utility General and Administrative Credit Program is to eliminate double-budgeting related to implementation of capital projects and equipment depreciation.

	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
<b>Expenditures</b>				
General and Administrative Credit	-8,011,338	-9,165,778	-10,045,607	-9,485,411

## Combined Sewer Overflows Budget Control Level

The purpose of the Drainage and Wastewater Utility Combined Sewer Overflow (CSO) Budget Control Level, a Capital Improvement Program funded by drainage and wastewater revenues, is to plan and construct large infrastructure systems, smaller retrofits, and green infrastructure for CSO control.

<b>Program Expenditures</b>	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Combined Sewer Overflows	15,327,538	26,887,630	43,834,341	49,201,662
<b>Total</b>	<b>15,327,538</b>	<b>26,887,630</b>	<b>43,834,341</b>	<b>49,201,662</b>
Full-time Equivalents Total*	30.00	30.00	30.00	30.00

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

## Customer Service Budget Control Level

The purpose of the Drainage and Wastewater Utility Customer Service Budget Control Level is to provide customer service in the direct delivery of essential programs and services that anticipate and respond to customer expectations.

<b>Program Expenditures</b>	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Customer Service	6,201,848	7,425,526	7,350,019	7,506,712
<b>Total</b>	<b>6,201,848</b>	<b>7,425,526</b>	<b>7,350,019</b>	<b>7,506,712</b>
Full-time Equivalents Total*	58.50	56.50	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.

## Seattle Public Utilities – Drainage and Wastewater

### Flooding, Sewer Back-up, and Landslides Budget Control Level

The purpose of the Drainage and Wastewater Utility Flooding, Sewer Back-up, and Landslides Budget Control Level, a Capital Improvement Program funded by drainage and wastewater revenues, is to plan, design and construct systems aimed at preventing or alleviating flooding and sewer backups in the City of Seattle, protecting public health, safety, and property. This program also protects SPU drainage and wastewater infrastructure from landslides, and makes drainage improvements where surface water generated from City rights-of-way contributes to landslides.

Program Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Flooding, Sewer Back-up, and Landslides	15,418,696	24,186,341	16,710,198	17,201,000
<b>Total</b>	<b>15,418,696</b>	<b>24,186,341</b>	<b>16,710,198</b>	<b>17,201,000</b>
Full-time Equivalents Total*	25.00	25.00	25.00	25.00

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

### General Expense Budget Control Level

The purpose of the Drainage and Wastewater Utility General Expense Budget Control Level is to appropriate funds to pay the Drainage and Wastewater Utility's general expenses.

Program Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Debt Service	38,297,394	41,832,081	43,026,929	45,195,400
Other General Expenses	138,518,474	139,567,179	154,194,645	154,094,672
Taxes	36,031,075	38,235,239	40,857,868	41,448,670
<b>Total</b>	<b>212,846,944</b>	<b>219,634,499</b>	<b>238,079,442</b>	<b>240,738,742</b>
Full-time Equivalents Total*	0.50	0.50	0.50	0.50

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

### **Debt Service Program**

The purpose of the Drainage and Wastewater Utility Debt Service Program is to provide appropriation for debt service on Drainage and Wastewater Utility bonds.

Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Debt Service	38,297,394	41,832,081	43,026,929	45,195,400

### **Other General Expenses Program**

The purpose of the Drainage and Wastewater Utility Other General Expenses Program is to appropriate funds for payment to King County Metro for sewage treatment, and the Drainage and Wastewater Fund's share of City central costs, claims, and other general expenses.

Expenditures/FTE	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Other General Expenses	138,518,474	139,567,179	154,194,645	154,094,672
Full-time Equivalents Total	0.50	0.50	0.50	0.50

# Seattle Public Utilities – Drainage and Wastewater

## Taxes Program

The purpose of the Drainage and Wastewater Utility Taxes Program is to provide appropriation for payment of city and state taxes.

	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
<b>Expenditures</b>				
Taxes	36,031,075	38,235,239	40,857,868	41,448,670

## Other Operating Budget Control Level

The purpose of the Other Operating Budget Control Level is to fund the Drainage and Wastewater Utility's operating expenses for Field Operations, Pre-Capital Planning & Development, Project Delivery, and Utility Systems Management programs.

<b>Program Expenditures</b>	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Field Operations	19,007,928	19,550,762	21,219,706	21,714,559
Pre-Capital Planning & Development	2,125,920	1,551,378	2,246,416	2,281,249
Project Delivery	8,687,893	11,093,977	10,749,154	10,734,544
Utility Systems Management	16,570,705	18,921,042	19,455,810	20,095,072
<b>Total</b>	<b>46,392,445</b>	<b>51,117,159</b>	<b>53,671,086</b>	<b>54,825,424</b>
Full-time Equivalents Total*	261.75	260.55	264.55	264.55

\* 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.

*The following information summarizes the programs in Other Operating Budget Control Level:*

### Field Operations Program

The purpose of the Drainage and Wastewater Utility Field Operations Program is to operate and maintain drainage and wastewater infrastructure that protects the public's health, and protects and improves the environment.

	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
<b>Expenditures/FTE</b>				
Field Operations	19,007,928	19,550,762	21,219,706	21,714,559
Full-time Equivalents Total	105.25	105.25	107.25	107.25

### Pre-Capital Planning & Development Program

The purpose of the Drainage and Wastewater Utility Pre-Capital Planning & Development Program is to support business case development, project plans, and options analysis for the drainage and wastewater system. This program will capture all costs associated with a project that need to be expensed during its life-cycle, including any post-construction monitoring and landscape maintenance.

	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
<b>Expenditures</b>				
Pre-Capital Planning & Development	2,125,920	1,551,378	2,246,416	2,281,249

## Seattle Public Utilities – Drainage and Wastewater

### Project Delivery Program

The purpose of the Drainage and Wastewater Utility Project Delivery Program is to provide engineering design and support services, construction inspection, and project management services to Drainage and Wastewater Utility's capital improvement projects and to the managers of drainage and wastewater facilities.

<b>Expenditures/FTE</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Project Delivery	8,687,893	11,093,977	10,749,154	10,734,544
Full-time Equivalents Total	67.00	67.00	67.00	67.00

### Utility Systems Management Program

The purpose of the Drainage and Wastewater Utility's Utility Systems Management Program is to ensure that each SPU utility system and associated assets are properly planned, developed, operated, and maintained and that asset management principles and practices are applied to achieve established customer and environmental service levels at the lowest life-cycle cost.

<b>Expenditures/FTE</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Utility Systems Management	16,570,705	18,921,042	19,455,810	20,095,072
Full-time Equivalents Total	89.50	88.30	90.30	90.30

### **Protection of Beneficial Uses Budget Control Level**

The purpose of the Drainage and Wastewater Utility Protection of Beneficial Uses Budget Control Level, a Capital Improvement Program funded by drainage revenues, is to make improvements to the City's drainage system to reduce the harmful effects of stormwater runoff on creeks and receiving waters by improving water quality and protecting or enhancing habitat.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Protection of Beneficial Uses	3,379,234	4,799,701	5,108,000	5,141,941
<b>Total</b>	<b>3,379,234</b>	<b>4,799,701</b>	<b>5,108,000</b>	<b>5,141,941</b>
Full-time Equivalents Total*	15.00	15.00	15.00	15.00

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

## Seattle Public Utilities – Drainage and Wastewater

### Rehabilitation Budget Control Level

The purpose of the Drainage and Wastewater Utility Rehabilitation Budget Control Level, a Capital Improvement Program funded by drainage and wastewater revenues, is to rehabilitate or replace existing drainage and wastewater assets in kind, to maintain the current functionality of the system.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Rehabilitation	8,875,087	12,622,929	9,190,498	8,770,000
<b>Total</b>	<b>8,875,087</b>	<b>12,622,929</b>	<b>9,190,498</b>	<b>8,770,000</b>
Full-time Equivalents Total*	30.00	30.00	30.00	30.00

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

### Sediments Budget Control Level

The purpose of the Drainage and Wastewater Utility Sediments Budget Control Level, a Capital Improvement Program funded by drainage and wastewater revenues, is to restore and rehabilitate natural resources in or along Seattle's waterways.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Sediments	7,606,066	5,594,648	1,678,965	2,050,342
<b>Total</b>	<b>7,606,066</b>	<b>5,594,648</b>	<b>1,678,965</b>	<b>2,050,342</b>
Full-time Equivalents Total*	7.00	7.00	7.00	7.00

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

### Shared Cost Projects Budget Control Level

The purpose of the Drainage and Wastewater Utility Shared Cost Projects Budget Control Level, a Drainage and Wastewater Capital Improvement Program, is to implement the Drainage and Wastewater Utility's share of capital improvement projects that receive funding from multiple SPU funds benefiting the Utility.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Shared Cost Projects	7,995,177	14,930,876	10,728,360	11,394,835
<b>Total</b>	<b>7,995,177</b>	<b>14,930,876</b>	<b>10,728,360</b>	<b>11,394,835</b>
Full-time Equivalents Total*	39.00	39.00	39.00	39.00

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

## Seattle Public Utilities – Drainage and Wastewater

### **Technology Budget Control Level**

The purpose of the Drainage and Wastewater Utility Technology Budget Control Level, a Capital Improvement Program, is to make use of recent technology advances to increase the Drainage and Wastewater Utility's efficiency and productivity.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Technology	3,228,713	4,815,426	8,880,280	7,612,800
<b>Total</b>	<b>3,228,713</b>	<b>4,815,426</b>	<b>8,880,280</b>	<b>7,612,800</b>
Full-time Equivalents Total*	13.00	13.00	13.00	13.00

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

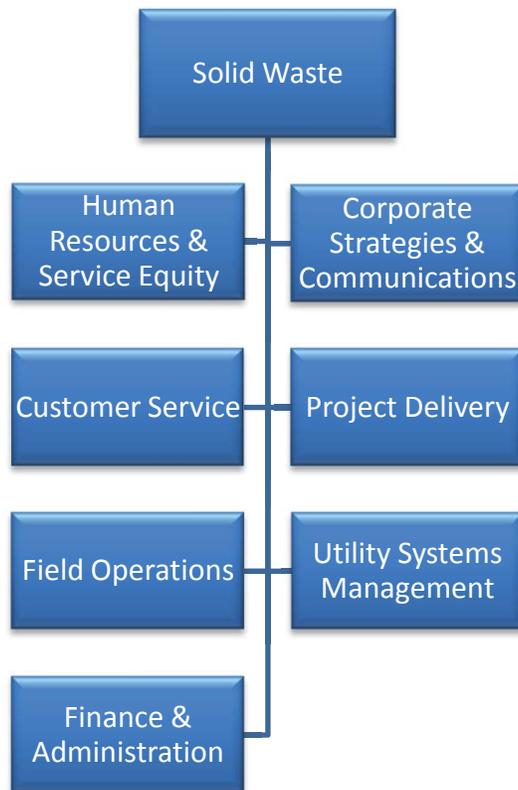
### **Drainage & Wastewater Fund Table (44010)**

	<b>2011 Actuals</b>	<b>2012 Adopted</b>	<b>2012 Revised</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
<b>Operating Cash at End of Previous Year</b>	<b>29,482,839</b>	<b>21,285,158</b>	<b>29,482,839</b>	<b>24,300,000</b>	<b>16,249,176</b>
Plus: Actual and Estimated Revenue	338,153,950	373,497,525	344,327,439	383,230,068	391,543,518
Less: Actual and Budgeted Expenditures	331,971,693	377,608,275	377,646,455	400,367,047	410,691,832
CIP Accomplishment Assumptions	0	(9,383,755)	(9,383,755)	(14,419,596)	(10,137,258)
Accounting and Technical Adjustments	(6,182,257)	(15,858,163)	18,752,422	(5,333,441)	4,066,633
<b>Ending Operating Cash</b>	<b>29,482,839</b>	<b>10,700,000</b>	<b>24,300,000</b>	<b>16,249,176</b>	<b>11,304,753</b>



# Seattle Public Utilities Solid Waste

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## Division Overview

The Solid Waste Utility:

- collects, processes, and disposes of solid waste from residents and businesses in Seattle to support public health and safety;
- provides customer service, education, and outreach;
- complies with regulatory requirements;
- develops and implements policies and programs that promote recycling, composting, and other waste diversion, to help the City of Seattle meet its goal of diverting all waste from landfills; and,
- manages historic landfill sites to ensure protection of human health and the environment, as required by regulation.

## Seattle Public Utilities – Solid Waste

The Solid Waste Utility's budget includes funding to operate the South Transfer Station, which is replacing the South Recycling and Disposal Station (SRDS), and rebuild the North Transfer Station. Built in the mid-1960s, the older transfer stations have experienced close to half a century of hard industrial use that has worn out the buildings considerably and caused significant increases in ongoing maintenance on electrical and other systems. The current aged stations are not designed for possible future earthquakes, are overcrowded given the current size of Seattle's population, and have limited space for recycling. The new North Transfer Station will likely be completed in 2015. The new South Transfer Station will finish construction in 2012 and will require increased operating costs beginning in 2013.

The Solid Waste Utility's budget also includes funding for collection, processing, and disposal of the city's waste including recyclables and compostables. After rising for seven straight years, by 2011 Seattle's recycling rate had reached an all-time high of 55.4% overall and 70.6% for single family households. Seattle is among the national leaders in municipal recycling, clearly surpassing the national recycling average of 33.8%. Part of this success is due to the Solid Waste Utility's program to collect compostable waste and food scraps from homes, apartments, and condominiums. Continued policy innovation will be required to meet the City's recycling goals, however, as approximately half of the city's garbage is still made up of recyclable or compostable material, including food waste, paper, and construction materials. SPU will continue to work with the Mayor and Council on policy and program innovations in 2013-2014 to help the City meet these goals.

The Solid Waste Utility's revenue is primarily generated through charges based on the amount of garbage collected from residential and commercial customers. The Solid Waste Utility has been under financial stress since 2008 as a result of the economic downturn, which curbed the volume of waste and recyclables, and caused prices for recyclable materials to dip considerably for several months. To respond to the downturn, various reductions were implemented in the 2010-2012 budgets, impacting customer education, community waste prevention grants, and enforcement for recycling requirements.

SPU is proposing four-year rates for the Solid Waste Fund to improve rate predictability and contain costs over a longer period of time. The rate increases are driven largely by declining volumes and costs related to replacement of the City's two transfer stations. Specific drivers of the solid waste rate increase include capital financing expenses, inflationary pressures, new operating and maintenance expenses, and higher taxes.

Under the Executive's Solid Waste rate proposal, submitted to the City Council in June 2012, typical monthly solid waste residential bills would increase by 4.6% or \$1.70 in 2013, 2.2% or \$0.85 in 2014, 2.5% or \$1.00 in 2015, and 1.6% or \$0.65 in 2016. These assumptions are reflected in the 2013-2014 Proposed Budget.

The 2013-2014 Proposed Budget preserves SPU's ability to perform its core services of operating the transfer stations, household hazardous waste sites, and closed landfills, and paying contractors to pick up garbage, yard waste, and recycling. The Proposed Budget also allows SPU to continue to provide related programs and services, such as recycling education and waste reduction promotion. SPU is also continuing Clean City programs such as community cleanup, graffiti control, illegal dumping and litter pickup that are funded through a general purpose tax on garbage transferred within city boundaries.

### **Identifying Efficiencies and Reducing Lower Priority Activities**

The 2013-2014 Proposed Budget reflects the results of a department-wide effort by SPU to evaluate and prioritize its staffing resources. For the Solid Waste Utility, SPU proposes to eliminate three positions. SPU is also achieving efficiencies by temporarily decreasing ground water monitoring and reporting frequency at Kent Highlands and Midway Landfills, directing off-hours garbage disposal from Waste Management's transfer station to the new South Transfer Station, and reducing equipment maintenance, paving and other costs at the transfer stations.

The 2013-2014 Proposed Budget also reduces funding for outreach and education for waste reduction and recycling. These reductions may impact SPU's ability to reach the City's recycling goals. However, SPU remains committed to reaching those goals, and has preserved funding for the direct services and programs that are most

## Seattle Public Utilities – Solid Waste

critical in achieving them, such as expanding multi-family food waste services and implementing disposal bans for specific materials.

### Capital Spending

SPU's Proposed Solid Waste CIP budget, excluding Technology, is approximately \$11.1 million in 2013 and \$34.5 million 2014. This is \$2.6 million lower than the planned spending for 2013 and \$13.3 million lower than the planned spending for 2014, as compared to the 2012-2017 Adopted CIP. Additional detail is provided in the 2013-2018 Proposed CIP.

## Seattle Public Utilities – Solid Waste

### Incremental Budget Changes

#### Seattle Public Utilities – Solid Waste Utility

	2013		2014	
	Budget	FTE	Budget	FTE
<b>Total 2012 Adopted Budget</b>	<b>\$ 183,065,307</b>	<b>205.56</b>	<b>\$ 183,065,307</b>	<b>205.56</b>
<b>Baseline Changes</b>				
Citywide Adjustments for Standard Cost Changes	\$ 3,398,846	0.00	\$ 42,188,440	0.00
Departmental Technical Changes	-\$ 155,609	0.00	-\$ 155,609	0.00
<b>Proposed Policy Changes</b>				
South Transfer Station Operating Costs	\$ 828,999	1.00	\$ 917,000	1.00
North Transfer Station Diversion	\$ 0	0.00	\$ 414,120	0.00
Solid Waste Fund Position Adjustments	-\$ 363,700	-3.00	-\$ 363,700	-3.00
Historical Landfill Temporary Savings	-\$ 76,000	0.00	-\$ 73,000	0.00
Private Garbage Transfer Reduction	-\$ 250,000	0.00	-\$ 250,000	0.00
Maintenance and Disposal Cost Savings	-\$ 830,000	0.00	-\$ 830,000	0.00
Waste Reduction and Recycling Program Reductions	-\$ 441,499	0.00	-\$ 441,499	0.00
Geographic Information Service Reductions	-\$ 10,164	0.00	-\$ 10,570	0.00
State of Washington Contract Savings	-\$ 91,000	0.00	-\$ 91,000	0.00
Reduce Professional Service and Other Departmental Support Costs	-\$ 597,470	0.00	-\$ 597,471	0.00
Rat Control Program Enhancement	\$ 73,000	0.00	\$ 73,000	0.00
Common Operating Picture Initiative	\$ 18,630	0.00	\$ 18,849	0.00
Solid Waste Fund CIP	-\$ 2,605,629	0.00	-\$ 13,339,283	0.00
Technology CIP	\$ 1,277,836	0.00	-\$ 233,930	0.00
<b>Proposed Technical Changes</b>				
Solid Waste Collection Contract Costs	\$ 195,989	0.00	-\$ 2,477,499	0.00
Taxes Budget Adjustment	\$ 573,096	0.00	\$ 819,837	0.00
Debt Service Budget Adjustment	\$ 1,246,102	0.00	\$ 3,453,042	0.00
Technical Adjustments	-\$ 413,025	0.00	-\$ 495,793	0.00
<b>Total Incremental Changes</b>	<b>\$ 1,778,402</b>	<b>-2.00</b>	<b>\$ 28,524,934</b>	<b>-2.00</b>
<b>2013 Proposed - 2014 Proposed Budget</b>	<b>\$184,843,709</b>	<b>203.56</b>	<b>\$211,590,241</b>	<b>203.56</b>

# Seattle Public Utilities – Solid Waste

## Description of Incremental Budget Changes

### Baseline Changes

#### **Citywide Adjustments for Standard Cost Changes and CIP Allocation Changes - \$3,398,846**

Citywide technical adjustments made in the "Baseline Phase" reflect changes due to inflation, central cost allocations, retirement, health care, workers' compensation, employment costs, and debt service. These adjustments reflect initial assumptions about these costs and inflators early in the budget process. Also included here are adjustments to reconcile SPU's appropriations to the 2013-2014 planned allocations shown in the 2012-2017 Adopted CIP.

#### **Departmental Technical Changes – (\$155,609)**

Budget adjustments remove one-time costs associated with the "One-Less Truck" initiative and re-align the cost associated with the Neighborhood Payment Information System, as described in the Drainage and Wastewater Fund.

#### **South Transfer Station Operating Costs - \$828,999 / 1.0 FTE**

SPU plans to begin operating the new South Transfer Station (STS) in the fourth quarter of 2012. During a brief transition, SPU will operate the STS and South Recycling and Disposal Station (SRDS) concurrently in order to train staff and resolve any operational issues without disrupting service levels. The SRDS will be closed for 2013, but will reopen in 2014 to serve as the City's second transfer station while construction begins on the new North Transfer Station. This adjustment provides funding and staff for SPU to operate the new South Transfer Station facility, including maintenance, utility costs, and a new Scale Attendant position to support the operations of the new facility.

#### **North Transfer Station Diversion - \$414,120 in 2014**

The North Transfer Station (NTS) will be closed for approximately 18-24 months during 2014 and 2015 to tear down and rebuild the station. During this time, SPU will direct the collection contractors to use the City's South Transfer Station. The SPU collection contract requires that the collection companies be compensated for increased drive time. This will be a temporary add; it is anticipated that by 2016 these costs will go away as the new NTS is opened and operational. The temporary cost for additional drive time payments will ensure SPU complies with existing service contracts and agreed upon service levels.

#### **Solid Waste Fund Position Adjustments - (\$363,700) / (3.0)**

This adjustment eliminates a total of three positions in the Solid Waste Utility's Customer Service Branch and Director's Office. The impacts of this adjustment include reduced efforts on sustainability activities. There will be minimal impacts on service levels as the work will be absorbed by existing staff.

#### **Historical Landfill Temporary Savings - (\$76,000)**

SPU owns two landfills on the Superfund Cleanup List: Kent Highlands and Midway Landfills. The Washington State Department of Ecology (DOE) is the lead regulatory agency for both sites. DOE has granted permission to temporarily decrease the ground water monitoring frequency and reporting requirements at both sites, which will provide savings to SPU in consultant and laboratory costs. Landfill staff will maintain contact with DOE to ensure there are no impacts to environmental protection as a result of the temporary decrease in data collection. If reduced monitoring is successful in the short term, SPU may be able to work with DOE to reduce monitoring permanently.

#### **Private Garbage Transfer Reduction - (\$250,000)**

Currently, SPU pays to send all waste disposed at the South Transfer Station at night outside of operating hours to a private Waste Management transfer station in South Park. SPU's new STS facility will have available capacity and will be able to accept collected garbage with little or no staff onsite with automated scale and security

## Seattle Public Utilities – Solid Waste

functions. With the new facility coming on line, SPU will direct an estimated 50,000 tons of nighttime garbage each year to the new station rather than the Waste Management transfer station. This adjustment reflects the estimated net savings to SPU of accepting nighttime garbage at the new South Transfer Station rather than having customers take their materials to Waste Management, and reduced payments by SPU to Waste Management for transfer costs.

### **Maintenance and Disposal Cost Savings - (\$830,000)**

This adjustment reduces maintenance costs at SPU's two transfer stations without impacting operations or service levels. Changes include performing some equipment repairs in-house (rather than contracting out the work), and reducing the frequency of paving maintenance due to better paving, and in recognition that SPU's old south transfer station will not be in use in 2013. This adjustment also reflects savings in SPU's disposal costs, reflecting a reduction in the volume of material being brought to the transfer station.

### **Waste Reduction and Recycling Program Reductions - (\$441,499)**

SPU provides a variety of outreach and education to different targeted customers to increase waste reduction and recycling, and education and outreach is an important part of SPU's ability to meet its 60% recycling goal by 2015. However, in an effort to achieve savings, SPU will reduce several non-labor expenditures in its waste reduction and recycling programs. These reductions represent less than half of SPU's non-labor budget for waste reduction and recycling. The budget that remains provides funding for numerous programs, including school grants, grasscycling, restaurant food bins, junk mail and yellow pages opt-out vendor payments, business greening, in-city government green purchasing, residential food waste compost collection promotion, and Resource Venture commercial customer outreach.

### **Geographic Information Service Reductions - (\$10,164)**

Consistent with the description in the Drainage and Wastewater Fund, this adjustment reflects the Solid Waste Fund's portion of the reduction in the City Geographic Information System Program.

### **State of Washington Contract Savings - (\$91,000)**

This adjustment brings SPU's costs to contract with the Washington State Department of Corrections (DOC) into line with recent historical spending and with better-than-projected contract terms. The DOC collects, contains and delivers illegally dumped materials to the transfer stations, and picks up materials collected from volunteer community clean-up activities. This adjustment will not change service levels or negatively impact the DOC.

### **Reduce Professional Service and Other Departmental Support Costs - (\$597,470)**

This adjustment represents the Solid Waste Fund's portion of reducing support costs, including costs for professional services, administration, and travel and training.

### **Rat Control Program Enhancement - \$73,000**

SPU maintains an agreement with Public Health - Seattle King County (PHSKC) to carry out above ground rat control. This increase will bring the program back up to 2011 service levels and enable PHSKC to implement other initiatives, including implementation of GIS complaint mapping as a tool toward gauging equitable outcomes across the city's diverse neighborhoods. Additionally, this increase will support a small increase in King County program staff from 1.5 to 2.0 FTE; reduce complaint response time; and create a public website for viewing the mapped complaints.

### **Common Operating Picture Initiative - \$18,630**

As described in the Drainage and Wastewater Fund, this adjustment provides for the Solid Waste Fund's portion of operating and maintenance costs to implement a Common Operating Picture system (COP).

## Seattle Public Utilities – Solid Waste

### **Solid Waste Fund CIP - (\$2,605,629)**

This adjustment revises 2013 funding for the six-year Solid Waste Fund capital program, relative to the 2013 planned spending shown in the 2012-2017 Adopted CIP. The revision primarily relates to changes in project schedules. Additional detail is provided in the 2013-2018 Proposed CIP.

### **Technology CIP - \$1,277,836**

This adjustment provides funding for the Solid Waste Fund's portion of SPU's six-year Technology Capital program. Additional detail is provided in the 2013-2018 Proposed CIP.

### **Solid Waste Collection Contract Costs - \$195,989**

SPU's contracts with private haulers include provisions for annual inflationary adjustments tied to specific indicators such as Consumer Price Index-Urban (CPI-U), fuel and labor indices. Contract payments are the single largest expense component of the Solid Waste Fund revenue requirement, representing approximately 66% of the total 2013 operating and maintenance expense. The increase for the 2013 contracts budget is expected to cover changes to contract payments. Funding is decreased in 2014, because no inflation is assumed at this time. Once the various indices are published for 2013, SPU will have a better sense as to what these costs will be for 2014.

### **Taxes Budget Adjustment - \$573,096**

This adjustment provides the Solid Waste Fund with provide sufficient budget authority to pay city and state taxes. This adjustment is projected to be needed for 2013-2014 due to higher projected revenues, consistent with SPU's proposed increase in solid waste rates.

### **Debt Service Budget Adjustment - \$1,246,102**

This technical adjustment provides increased budget authority to pay debt service costs. The increase primarily reflects paying new debt service on an anticipated debt issuance by the Solid Waste Fund of \$48 million in 2013.

### **Technical Adjustments – (\$413,025)**

Technical adjustments in the 2013-2014 Proposed Budget include departmental and citywide non-programmatic adjustments that do not represent fundamental changes in the Solid Waste Utility's programs and services. Adjustments include changes in central cost allocations, retirement, health care, workers' compensation, and unemployment costs; the distribution of overhead costs between SPU funds; changes to fees charged by SPU's vendor for processing on-line payments; and the shift of labor dollars from the CIP to the O&M budget based on the latest CIP planning.

## Seattle Public Utilities – Solid Waste

### Expenditure Overview

Appropriations	Summit Code	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
<b>Solid Waste Utility</b>					
<b>Administration Budget Control</b>					
Administration		5,364,336	6,605,546	6,033,422	6,150,888
General and Administrative Credit		-843,406	-1,425,950	-1,497,301	-1,128,172
<b>Total</b>	<b>N100B-SW</b>	<b>4,520,930</b>	<b>5,179,597</b>	<b>4,536,121</b>	<b>5,022,716</b>
<b>Customer Service Budget Control Level</b>	<b>N300B-SW</b>	<b>10,889,418</b>	<b>13,310,285</b>	<b>12,968,991</b>	<b>13,145,607</b>
<b>General Expense Budget Control</b>					
Debt Service		6,340,406	9,039,460	10,284,496	12,497,286
Other General Expenses		97,957,053	101,838,996	103,913,741	104,040,162
Taxes		17,907,541	18,789,522	19,738,408	20,425,951
<b>Total</b>	<b>N000B-SW</b>	<b>122,205,000</b>	<b>129,667,978</b>	<b>133,936,645</b>	<b>136,963,399</b>
<b>New Facilities Budget Control Level</b>	<b>C230B</b>	<b>40,890,597</b>	<b>13,845,159</b>	<b>8,888,345</b>	<b>32,077,233</b>
<b>Other Operating Budget Control</b>					
Field Operations		10,372,746	12,428,380	12,677,786	13,035,371
Pre-Capital Planning & Development		134,029	183,036	241,637	246,465
Project Delivery		781,618	836,905	965,252	986,336
Utility Systems Management		2,400,989	3,016,107	2,756,837	2,819,906
<b>Total</b>	<b>N400B-SW</b>	<b>13,689,381</b>	<b>16,464,429</b>	<b>16,641,512</b>	<b>17,088,077</b>
<b>Rehabilitation and Heavy Equipment Budget Control Level</b>	<b>C240B</b>	<b>244,323</b>	<b>397,000</b>	<b>80,483</b>	<b>45,000</b>
<b>Shared Cost Projects Budget Control Level</b>	<b>C410B-SW</b>	<b>1,036,847</b>	<b>2,536,055</b>	<b>2,179,315</b>	<b>2,356,531</b>
<b>Technology Budget Control Level</b>	<b>C510B-SW</b>	<b>1,165,331</b>	<b>1,664,804</b>	<b>5,612,296</b>	<b>4,891,677</b>
<b>Division Total</b>		<b>194,641,827</b>	<b>183,065,307</b>	<b>184,843,708</b>	<b>211,590,240</b>
<b>Division Full-time Equivalents Total*</b>		<b>210.06</b>	<b>205.56</b>	<b>203.56</b>	<b>203.56</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 Public Utilities – Solid Waste

### Revenue Overview

#### 2013 Estimated Revenues

Summit Code	Source	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
443710	Commercial Services	46,692,923	46,933,145	49,376,974	50,091,054
	<b>Total Commercial Rates</b>	<b>46,692,923</b>	<b>46,933,145</b>	<b>49,376,974</b>	<b>50,091,054</b>
705000	GSF - Transfer In - Aband'd Vehicle Calls	40,293	0	0	0
	<b>Total General Subfund Support</b>	<b>40,293</b>	<b>0</b>	<b>0</b>	<b>0</b>
705000	Call Center Reimbursement from SCL	1,365,115	1,671,433	1,607,894	1,640,454
	<b>Total Interfund Services</b>	<b>1,365,115</b>	<b>1,671,433</b>	<b>1,607,894</b>	<b>1,640,454</b>
408000	Other Nonoperating Revenue	0	0	451,336	467,030
416457	Transfer Fee	0	0	0	0
437010	Operating Fees, Contributions and grants	718,148	0	350,000	350,000
443745	Comm'l Disposal (Longhaul) Charges	339,730	470,954	487,202	500,746
469990	Other Operating Revenue	0	2,135	33,826	46,980
516456	Landfill Closure Fee	0	0	0	0
705000	KC Reimb for Local Hzrd Waste Mgt Prgm	2,625,027	2,418,262	2,625,027	2,625,027
	<b>Total Other Revenues</b>	<b>3,682,905</b>	<b>2,891,351</b>	<b>3,947,391</b>	<b>3,989,783</b>
443741	Recycling and Disposal Station Charges	9,072,579	11,943,879	10,887,812	10,453,600
	<b>Total Recycling &amp; Disposal Stations</b>	<b>9,072,579</b>	<b>11,943,879</b>	<b>10,887,812</b>	<b>10,453,600</b>
443450	Recycling Processing Revenues	4,660,651	2,000,000	2,540,000	2,540,000
	<b>Total Recycling Processing Revenues</b>	<b>4,660,651</b>	<b>2,000,000</b>	<b>2,540,000</b>	<b>2,540,000</b>
443710	Residential Services	91,472,741	97,733,848	103,957,656	106,648,819
	<b>Total Residential Rates</b>	<b>91,472,741</b>	<b>97,733,848</b>	<b>103,957,656</b>	<b>106,648,819</b>
416458	Transfer Fee - Out City	0	0	1,529,379	1,736,088
516457	Transfer Fee - In City	0	4,669,514	3,454,378	3,753,584
	<b>Total Tonnage Tax</b>	<b>0</b>	<b>4,669,514</b>	<b>4,983,757</b>	<b>5,489,672</b>
481200	Transfers from Construction Fund	44,047,926	16,945,990	10,685,928	32,037,609
	<b>Total Transfer from Construction Fund</b>	<b>44,047,926</b>	<b>16,945,990</b>	<b>10,685,928</b>	<b>32,037,609</b>
466990	Recovery Fees/Yellow Pages	56,069	234,000	56,070	56,071
	<b>Total Yellow Pages Fees</b>	<b>56,069</b>	<b>234,000</b>	<b>56,070</b>	<b>56,071</b>
	<b>Total Revenues</b>	<b>201,091,201</b>	<b>185,023,160</b>	<b>188,043,482</b>	<b>212,947,062</b>

## Seattle Public Utilities – Solid Waste

379100	Decrease (Increase) in Working Capital	-6,447,968	-1,957,853	-3,373,692	-1,597,501
	<b>Total Decrease (Increase) in Working Capital</b>	<b>-6,447,968</b>	<b>-1,957,853</b>	<b>-3,373,692</b>	<b>-1,597,501</b>
<b>Total Resources</b>		<b>194,643,232</b>	<b>183,065,307</b>	<b>184,669,790</b>	<b>211,349,560</b>

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

#### **Administration Budget Control Level**

The purpose of the Solid Waste Utility Administration Budget Control Level is to provide overall management and policy direction for Seattle Public Utilities, and, more specifically, for the Solid Waste Utility, and to provide core financial, human resource, and information technology services.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Administration	5,364,336	6,605,546	6,056,146	6,188,202
General and Administrative Credit	-843,406	-1,425,950	-1,609,595	-1,345,372
<b>Total</b>	<b>4,520,930</b>	<b>5,179,597</b>	<b>4,446,551</b>	<b>4,842,830</b>
Full-time Equivalents Total*	31.50	29.50	27.50	27.50

*\* 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 Administration Budget Control Level:**

#### **Administration Program**

The purpose of the Solid Waste Utility Administration Program is to provide overall management and policy direction for Seattle Public Utilities, and, more specifically, for the Solid Waste Utility, and to provide core financial, human resource, and information technology services to the entire Department.

<b>Expenditures/FTE</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Administration	5,364,336	6,605,546	6,056,146	6,188,202
Full-time Equivalents Total	31.50	29.50	27.50	27.50

#### **General and Administrative Credit Program**

The purpose of the Solid Waste Utility General and Administrative Credit Program is to eliminate double-budgeting related to implementation of capital projects and equipment depreciation.

<b>Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
General and Administrative Credit	-843,406	-1,425,950	-1,609,595	-1,345,372

## Seattle Public Utilities – Solid Waste

### Customer Service Budget Control Level

The purpose of the Solid Waste Utility Customer Service Budget Control Level is to provide customer service in the direct delivery of essential programs and services that anticipate and respond to customer expectations.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Customer Service	10,889,418	13,310,285	12,968,991	13,145,607
<b>Total</b>	<b>10,889,418</b>	<b>13,310,285</b>	<b>12,968,991</b>	<b>13,145,607</b>
Full-time Equivalents Total*	88.00	85.50	84.50	84.50

\* 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 Expense Budget Control Level

The purpose of the Solid Waste Utility General Expense Budget Control Level is to provide appropriation to pay the Solid Waste Utility's general expenses.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Debt Service	6,340,406	9,039,460	10,284,496	12,497,286
Other General Expenses	97,957,053	101,838,996	103,912,717	104,116,167
Taxes	17,907,541	18,789,522	19,738,408	20,425,951
<b>Total</b>	<b>122,205,000</b>	<b>129,667,978</b>	<b>133,935,621</b>	<b>137,039,404</b>

*The following information summarizes the programs in General Expense Budget Control Level:*

#### **Debt Service Program**

The purpose of the Solid Waste Utility Debt Service Program is to appropriate funds for debt service on Solid Waste Utility bonds.

<b>Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Debt Service	6,340,406	9,039,460	10,284,496	12,497,286

#### **Other General Expenses Program**

The purpose of the Solid Waste Utility Other General Expenses Program is to provide appropriation for payments to contractors who collect the city's solid waste, the Solid Waste Fund's share of City central costs, claims, and other general expenses.

<b>Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Other General Expenses	97,957,053	101,838,996	103,912,717	104,116,167

#### **Taxes Program**

The purpose of the Solid Waste Utility Taxes Program is to appropriate funds for payment of city and state taxes.

<b>Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Taxes	17,907,541	18,789,522	19,738,408	20,425,951

## Seattle Public Utilities – Solid Waste

### New Facilities Budget Control Level

The purpose of the Solid Waste Utility New Facilities Budget Control Level, a Capital Improvement Program funded by solid waste revenues, is to design and construct new facilities to enhance solid waste operations.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
New Facilities	40,890,597	13,845,159	8,888,345	32,077,233
<b>Total</b>	<b>40,890,597</b>	<b>13,845,159</b>	<b>8,888,345</b>	<b>32,077,233</b>
Full-time Equivalents Total*	9.00	9.00	9.00	9.00

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

### Other Operating Budget Control Level

The purpose of the Other Operating Budget Control Level is to fund the Solid Waste Utility's operating expenses for Field Operations, Pre-Capital Planning & Development, Project Delivery, and Utility Systems Management programs.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Field Operations	10,372,746	12,428,380	12,677,786	13,035,371
Pre-Capital Planning & Development	134,029	183,036	241,637	246,465
Project Delivery	781,618	836,905	965,252	986,336
Utility Systems Management	2,400,989	3,016,107	2,756,837	2,819,906
<b>Total</b>	<b>13,689,381</b>	<b>16,464,429</b>	<b>16,641,512</b>	<b>17,088,077</b>
Full-time Equivalents Total*	75.56	75.56	76.56	76.56

\* 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.

### Shared Cost Projects Budget Control Level

The purpose of the Solid Waste Utility Shared Cost Projects Budget Control Level, a Solid Waste Capital Improvement Program, is to implement the Solid Waste Utility's share of capital improvement projects that receive funding from multiple SPU funds and will benefit the Solid Waste Fund.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Shared Cost Projects	1,036,847	2,536,055	2,179,315	2,356,531
<b>Total</b>	<b>1,036,847</b>	<b>2,536,055</b>	<b>2,179,315</b>	<b>2,356,531</b>

## Seattle Public Utilities – Solid Waste

### **Technology Budget Control Level**

The purpose of the Solid Waste Utility Technology Budget Control Level, a Capital Improvement Program, is to make use of technology to increase the Solid Waste Utility's efficiency and productivity.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Technology	1,165,331	1,664,804	5,612,296	4,891,677
<b>Total</b>	<b>1,165,331</b>	<b>1,664,804</b>	<b>5,612,296</b>	<b>4,891,677</b>
Full-time Equivalents Total*	6.00	6.00	6.00	6.00

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

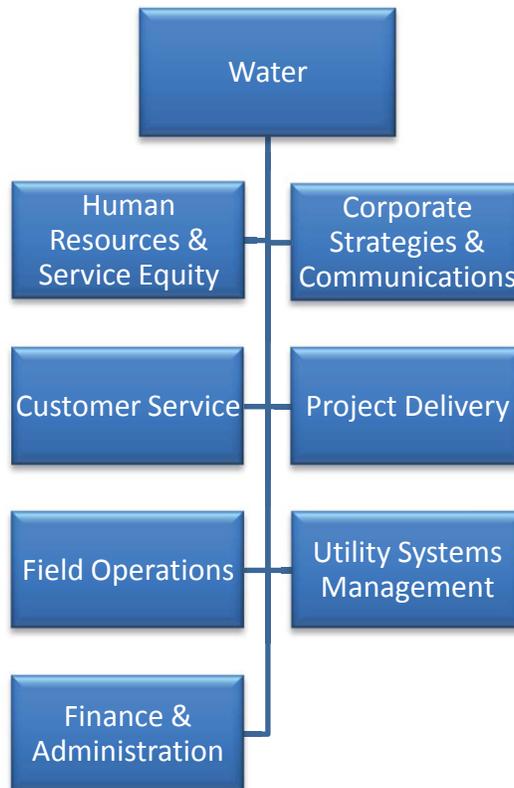
### **Solid Waste Fund Table (45010)**

	<b>2011 Actuals</b>	<b>2012 Adopted</b>	<b>2012 Revised</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
<b>Operating Cash at End of Previous Year</b>	<b>10,252,187</b>	<b>8,203,188</b>	<b>18,533,000</b>	<b>14,021,000</b>	<b>20,923,866</b>
Plus: Actual and Estimated Revenue	201,091,201	185,023,160	187,036,393	188,043,482	212,947,062
Less: Actual and Budgeted Expenditures	194,643,232	183,065,307	183,086,351	184,843,708	211,590,240
CIP Accomplishment Assumptions	0	(1,844,302)	(1,844,302)	(1,676,044)	(3,937,044)
Accounting and Technical Adjustments	1,832,845	(4,478,992)	(10,306,344)	2,027,049	(4,529,381)
<b>Ending Operating Cash</b>	<b>18,533,000</b>	<b>7,526,351</b>	<b>14,021,000</b>	<b>20,923,866</b>	<b>21,688,350</b>



# Seattle Public Utilities Water Utility

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## Division Overview

The Water Utility builds, operates and maintains the City's water utility infrastructure to ensure system reliability, conserve and enhance the region's environmental resources, and protect public health and safety.

Due to successful conservation measures by the Water Utility and residents and businesses throughout the region, water consumption in 2011 was 13% below 2000 levels, despite the service area's population growing by 7%. This downward trend in water use is projected to continue because of ongoing Water Utility conservation programs, plumbing and appliance codes and standards, water and wastewater price-induced savings, and other customer water use reductions. This reduced water use helps contribute to a sustainable future for the region, but it puts financial pressure on the Water Utility because fixed costs need to be distributed across fewer units of water sold.

The Water Utility is at the end of a two decade period of investments in major generational assets that respond to regulatory requirements and ensure reliable supply of high quality drinking water to the region. The investments

## Seattle Public Utilities – Water Utility

have included new water treatment facilities for the Tolt and Cedar River sources; a second pipeline from the Tolt River source and improvements to the first Tolt pipeline after it burst in 1987; coverings for eight open reservoirs in response to state requirements; and investments to secure the supply of water by reaching an arrangement with the federal government defining the Cedar River Watershed Habitat Conservation Program. Servicing the debt on these large capital projects at a time of declining water consumption presents a financial challenge to the Water Utility.

The Water Utility's revenues come largely from rates charged to retail and wholesale customers. Water rates were last adopted in 2011 for the period 2012-2014. Water consumption is declining more than was projected due to weather, conservation and the economy, creating a 2012 revenue shortfall compared to the rate study. The 2012 revenue shortfall is offset primarily by savings from a 2012 bond refinancing. As a result, the 2013-2014 Proposed Budget makes no changes to the rates adopted in 2011. Under the adopted rates, the average residential customer will experience water rate increases in 2013 of 9.5%, or \$2.68 per month, and 9.6%, or \$2.91 per month, in 2014 to cover SPU's revenue requirement.

The 2013-2014 Proposed Budget reflects the results of a department-wide effort by SPU to evaluate and prioritize its staffing resources and needs. For the Water Utility, SPU proposes to eliminate six positions based on this evaluation, and transfer an additional six positions to the Drainage and Wastewater Utility in order to meet new regulatory requirements and fill critical business needs. The Budget also includes adjustments to reduce support costs, including costs for professional services, administration and travel and training.

### Incremental Budget Changes

#### Seattle Public Utilities – Water Utility

	2013		2014	
	Budget	FTE	Budget	FTE
<b>Total 2012 Adopted Budget</b>	<b>\$ 258,563,931</b>	<b>669.19</b>	<b>\$ 258,563,931</b>	<b>669.19</b>
<b>Baseline Changes</b>				
Citywide Adjustments for Standard Cost Changes and CIP Allocation Changes	\$ 12,969,878	0.00	\$ 16,899,170	0.00
Departmental Technical Changes	\$ 387,826	0.00	\$ 167,826	0.00
<b>Proposed Policy Changes</b>				
Geographic Information System Reductions	-\$ 42,433	0.00	-\$ 44,130	0.00
Reduce Professional Service and Other Departmental Support Costs	-\$ 1,279,780	0.00	-\$ 1,279,780	0.00
Water Fund Position Adjustments	-\$ 471,300	-11.50	-\$ 471,300	-11.50
Common Operating Picture Initiative	\$ 18,630	0.00	\$ 18,849	0.00
Water Fund CIP Changes	-\$ 6,442,327	0.00	\$ 3,047,227	0.00
Technology CIP	\$ 1,465,508	0.00	-\$ 89,022	0.00
<b>Proposed Technical Changes</b>				
Taxes Budget Adjustment	\$ 1,024,930	0.00	\$ 3,054,578	0.00

## Seattle Public Utilities – Water Utility

Debt Service Budget Adjustment	-\$ 2,433,589	0.00	-\$ 25,657	0.00
Technical Adjustments	\$ 948,361	0.00	\$ 1,160,872	0.00
<b>Total Incremental Changes</b>	<b>\$ 6,145,704</b>	<b>-11.50</b>	<b>\$ 22,438,633</b>	<b>-11.50</b>
<b>2013 Proposed - 2014 Proposed Budget</b>	<b>\$264,709,635</b>	<b>657.69</b>	<b>\$281,002,564</b>	<b>657.69</b>

### Description of Incremental Budget Changes

#### Baseline Changes

##### **Citywide Adjustments for Standard Cost Changes and CIP Allocation Changes - \$12,969,878**

Citywide technical adjustments made in the "Baseline Phase" reflect changes due to inflation, debt service, central cost allocations, retirement, health care, workers' compensation, and employment costs. These adjustments reflect initial assumptions about these costs and inflators early in the budget process. Also included here are adjustments to reconcile SPU's appropriations to the 2013-2014 planned allocations shown in the 2012-2017 Adopted CIP.

##### **Departmental Technical Changes - \$387,826**

This budget adjustment adds costs associated with deferred maintenance, a watermain condition assessment, and hatchery decommissioning. Partially offsetting these adjustments is a reduction in the Neighborhood Payment Information System cost in order to re-align the budget with the cost associated with the program, as described in the Drainage and Wastewater Fund.

#### Proposed Policy Changes

##### **Geographic Information System Reductions - (\$42,433)**

Consistent with the description in the Drainage and Wastewater Fund, this adjustment reflects the Water Fund's portion of the reduction in the City Geographic Information System Program.

##### **Reduce Professional Service and Other Departmental Support Costs - (\$1,279,780)**

This adjustment represents the Water Fund's portion of reducing support costs, including costs for professional services, administration, and travel and training.

##### **Water Fund Position Adjustments - (\$471,300) / (11.5)**

This adjustment eliminates six positions in the Water Utility's Finance and Administration, Field Operations, Customer Service, and Utility System Management branches. In addition, the Water Utility is transferring six positions from Field Operations to the Drainage and Wastewater Utility to support regulatory requirements and other critical business needs. These position adjustments reduce maintenance work at Cedar Falls and Rattlesnake Lake, limit capacity for drinking water modeling and reporting work, reduce community relations development efforts, and decrease core support services in the Water Utility. These reductions may slow down the SPU's work in these areas, but the Department will shift the work associated with these positions to existing staff to minimize impacts on direct services.

##### **Common Operating Picture Initiative - \$18,630**

As described in the Drainage and Wastewater Fund, this adjustment provides for the Water Fund's portion of operations and maintenance costs to implement a Common Operating Picture system (COP).

# Seattle Public Utilities – Water Utility

## Water Fund CIP Changes - (\$6,442,327)

This adjustment revises 2013 funding for the Water Fund capital program, relative to the 2013 planned spending shown in the 2012-2017 Adopted CIP. The revision primarily relates to changes in project schedules. Additional information is provided in the 2013-2018 Proposed CIP document.

## Technology CIP - \$1,465,508

This adjustment revises funding for the Water Fund’s portion of the six year Technology Capital program. As described in the Drainage and Wastewater Fund, specific changes to the Water Fund’s technology budget primarily reflect additional spending on replacement of the Utility Combined Customer Billing System, which is now expected to see significant progress in 2013 and 2014. The cost of this project is spread amongst the Water Fund, Solid Waste Fund, and Drainage and Wastewater Fund in SPU, and the Light Fund in City Light.

## Taxes Budget Adjustment - \$1,024,930

This technical adjustment to the Water Fund reflects differences in the forecast for taxes from the 2013 baseline budget. SPU has increased the taxes budget to better align anticipated tax costs based on revised revenue projections consistent with the current Water Fund revenue update.

## Debt Service Budget Adjustment – (\$2,433,589)

This technical adjustment to the Water Fund reflects differences in the forecast for debt service from the 2013 baseline budget. SPU has decreased the debt service budget to account for bond refinancing in 2012 and anticipated new debt issuance for the Water Fund of \$78.8 million in mid-2013.

## Technical Adjustments – \$948,361

Technical adjustments in the 2013-2014 Proposed Budget include departmental and citywide non-programmatic adjustments that do not represent fundamental changes in the Water Utility’s programs and services. Adjustments include changes in central cost allocations, retirement, health care, workers’ compensation, and unemployment costs; the distribution of overhead costs between SPU funds; changes to fees charged by SPU’s vendor for processing on-line payments; and the shift of labor dollars from the CIP to the O&M budget based on the latest CIP planning.

## Expenditure Overview

Appropriations	Summit Code	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
<b>Water Utility</b>					
<b>Administration Budget Control</b>					
Administration		13,797,741	16,243,248	15,424,743	15,730,653
General and Administrative Credit		-5,612,306	-7,499,766	-5,861,236	-4,827,591
<b>Total</b>	<b>N100B-WU</b>	<b>8,185,435</b>	<b>8,743,482</b>	<b>9,563,508</b>	<b>10,903,062</b>
<b>Customer Service Budget Control Level</b>	<b>N300B-WU</b>	<b>8,862,244</b>	<b>10,010,462</b>	<b>10,160,012</b>	<b>10,368,549</b>
<b>Distribution Budget Control Level</b>	<b>C110B</b>	<b>14,281,815</b>	<b>15,194,279</b>	<b>19,778,088</b>	<b>20,393,599</b>
<b>General Expense Budget Control</b>					
Debt Service		79,597,322	80,703,111	78,798,440	81,023,938

## Seattle Public Utilities – Water Utility

Other General Expenses		17,818,187	21,665,710	23,095,768	23,587,152
Taxes		31,033,547	34,181,388	35,889,946	38,721,489
<b>Total</b>	<b>N000B-WU</b>	<b>128,449,056</b>	<b>136,550,208</b>	<b>137,784,153</b>	<b>143,332,579</b>
<b>Habitat Conservation Program Budget Control Level</b>	<b>C160B</b>	<b>9,607,997</b>	<b>4,912,916</b>	<b>2,506,875</b>	<b>2,490,751</b>
<b>Other Operating Budget Control</b>					
Field Operations		23,066,365	23,863,626	25,840,052	26,537,844
Pre-Capital Planning & Development		1,496,399	2,350,479	2,435,930	2,195,230
Project Delivery		4,183,234	5,169,506	4,805,650	4,918,331
Utility Systems Management		14,425,288	16,370,110	15,142,980	15,270,167
<b>Total</b>	<b>N400B-WU</b>	<b>43,171,286</b>	<b>47,753,721</b>	<b>48,224,612</b>	<b>48,921,573</b>
<b>Shared Cost Projects Budget Control Level</b>	<b>C410B-WU</b>	<b>7,502,503</b>	<b>14,640,817</b>	<b>15,795,455</b>	<b>19,402,731</b>
<b>Technology Budget Control Level</b>	<b>C510B-WU</b>	<b>3,631,554</b>	<b>5,357,841</b>	<b>9,174,364</b>	<b>8,596,072</b>
<b>Transmission Budget Control</b>	<b>C120B</b>	<b>77,782</b>	<b>1,343,332</b>	<b>1,702,753</b>	<b>3,075,786</b>
<b>Water Quality &amp; Treatment Budget Control Level</b>	<b>C140B</b>	<b>15,576,488</b>	<b>6,613,000</b>	<b>3,333,857</b>	<b>5,303,791</b>
<b>Water Resources Budget Control Level</b>	<b>C150B</b>	<b>3,302,435</b>	<b>5,616,275</b>	<b>6,682,957</b>	<b>8,212,072</b>
<b>Watershed Stewardship Budget Control Level</b>	<b>C130B</b>	<b>796,748</b>	<b>1,827,598</b>	<b>3,000</b>	<b>1,999</b>
<b>Division Total</b>		<b>243,445,060</b>	<b>258,563,931</b>	<b>264,709,635</b>	<b>281,002,564</b>
<b>Division Full-time Equivalents Total*</b>		<b>671.19</b>	<b>669.19</b>	<b>657.69</b>	<b>657.69</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.

## Revenue Overview

### 2013 Estimated Revenues

Summit Code	Source	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
479010	Capital Grants and Contributions	2,000,987	1,853,935	1,883,211	1,915,958
	<b>Total Capital Grants/Contributions</b>	<b>2,000,987</b>	<b>1,853,935</b>	<b>1,883,211</b>	<b>1,915,958</b>
705000	GF Reimb Abandoned Vehicles	50,317	0	56,181	57,304
	<b>Total General Subfund Support</b>	<b>50,317</b>	<b>0</b>	<b>56,181</b>	<b>57,304</b>
443420	Water Service for Fire Protection	6,681,034	7,051,851	7,591,239	8,207,424

## Seattle Public Utilities – Water Utility

	<b>Total Hydrants</b>	<b>6,681,034</b>	<b>7,051,851</b>	<b>7,591,239</b>	<b>8,207,424</b>
543970	Inventory Purchased by SDOT	689,294	755,351	774,618	790,110
705000	Call Center Reimbursement from SCL	1,510,299	1,684,812	1,656,618	1,690,164
	<b>Total Interfund Services</b>	<b>2,199,593</b>	<b>2,440,163</b>	<b>2,431,236</b>	<b>2,480,274</b>
408000	Other Non-Operating Revenue	555,324	379,386	384,128	388,930
408000	Reimbursement for NS activities	46,247	41,117	42,145	43,199
437010	Operating Grants	434,981	0	0	0
443450	Facilities Charges	280,830	2,199,447	2,199,447	2,747,010
461110	Build America Bond Interest Income	2,135,334	2,135,334	2,135,334	2,135,334
462500	Rentals--Non-City	520,153	414,808	425,178	435,807
469990	Other Operating Revenues	2,082,235	1,993,905	2,037,961	2,088,910
481200	Public Works Loan Proceeds	0	0	0	0
587000	Op Transfer In - Rev Stab Subfund - BPA Acct	100,000	0	0	0
587000	Op Transfer In - Rev Stab Subfund	1,522,974	0	0	0
	<b>Total Other Revenues</b>	<b>7,678,078</b>	<b>7,163,997</b>	<b>7,224,193</b>	<b>7,839,189</b>
443410	Retail Water Sales	137,382,036	152,537,022	159,858,030	172,825,978
	<b>Total Retail Water Sales</b>	<b>137,382,036</b>	<b>152,537,022</b>	<b>159,858,030</b>	<b>172,825,978</b>
443450	Tap Fees	2,873,282	3,037,500	3,325,469	3,617,037
	<b>Total Tap Fees</b>	<b>2,873,282</b>	<b>3,037,500</b>	<b>3,325,469</b>	<b>3,617,037</b>
481200	Transfers from Construction Fund	39,165,888	30,114,202	25,033,418	24,979,546
	<b>Total Transfer from Construction Fund</b>	<b>39,165,888</b>	<b>30,114,202</b>	<b>25,033,418</b>	<b>24,979,546</b>
443420	Wholesale Water Sales	43,750,260	47,573,986	47,267,682	47,102,577
	<b>Total Wholesale Water Sales</b>	<b>43,750,260</b>	<b>47,573,986</b>	<b>47,267,682</b>	<b>47,102,577</b>
	<b>Total Revenues</b>	<b>241,781,475</b>	<b>251,772,656</b>	<b>254,670,658</b>	<b>269,025,289</b>
379100	Decrease (Increase) in Working Capital	1,663,585	6,791,275	9,721,857	11,481,057
	<b>Total Decrease (Increase) in Working Capital</b>	<b>1,663,585</b>	<b>6,791,275</b>	<b>9,721,857</b>	<b>11,481,057</b>
	<b>Total Resources</b>	<b>243,445,060</b>	<b>258,563,931</b>	<b>264,392,515</b>	<b>280,506,346</b>

# Seattle Public Utilities – Water Utility

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

### Administration Budget Control Level

The purpose of the Water Utility Administration Budget Control Level is to provide overall management and policy direction for Seattle Public Utilities and, more specifically, for the Water Utility, and to provide core financial, human resource, and information technology services.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Administration	13,797,741	16,243,248	15,424,743	15,730,653
General and Administrative Credit	-5,612,306	-7,499,766	-5,861,236	-4,827,591
<b>Total</b>	<b>8,185,435</b>	<b>8,743,482</b>	<b>9,563,508</b>	<b>10,903,062</b>
Full-time Equivalents Total*	95.60	96.60	96.10	96.10

\* 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.

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

### **Administration Program**

The purpose of the Water Utility Administration Program is to provide overall management and policy direction for Seattle Public Utilities, and, more specifically, for the Water Utility, and to provide core financial, human resource, and information technology services to the entire Department.

<b>Expenditures/FTE</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Administration	13,797,741	16,243,248	15,424,743	15,730,653
Full-time Equivalents Total	95.60	96.60	96.10	96.10

### **General and Administrative Credit Program**

The purpose of the Water Utility General and Administrative Credit Program is to eliminate double-budgeting related to implementation of capital projects and equipment depreciation.

<b>Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
General and Administrative Credit	-5,612,306	-7,499,766	-5,861,236	-4,827,591

## Seattle Public Utilities – Water Utility

### Customer Service Budget Control Level

The purpose of the Water Utility Customer Service Budget Control Level is to provide customer service in the direct delivery of essential programs and services that anticipate and respond to customer expectations.

Program Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Customer Service	8,862,244	10,010,462	10,160,012	10,368,549
<b>Total</b>	<b>8,862,244</b>	<b>10,010,462</b>	<b>10,160,012</b>	<b>10,368,549</b>
Full-time Equivalents Total*	85.00	84.00	82.00	82.00

\* 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.

### Distribution Budget Control Level

The purpose of the Water Utility Distribution Budget Control Level, a Capital Improvement Program funded by water revenues, is to repair and upgrade the City's water lines, pump stations, and other facilities.

Program Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Distribution	14,281,815	15,194,279	19,778,088	20,393,599
<b>Total</b>	<b>14,281,815</b>	<b>15,194,279</b>	<b>19,778,088</b>	<b>20,393,599</b>
Full-time Equivalents Total*	79.00	79.00	79.00	79.00

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

### General Expense Budget Control Level

The purpose of the Water Utility General Expense Budget Control Level is to appropriate funds to pay the Water Utility's general expenses.

Program Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Debt Service	79,597,322	80,703,111	78,798,440	81,023,938
Other General Expenses	17,818,187	21,665,710	23,095,768	23,587,152
Taxes	31,033,547	34,181,388	35,889,946	38,721,489
<b>Total</b>	<b>128,449,056</b>	<b>136,550,208</b>	<b>137,784,153</b>	<b>143,332,579</b>

## Seattle Public Utilities – Water Utility

The following information summarizes the programs in General Expense Budget Control Level:

### Debt Service Program

The purpose of the Water Utility Debt Service Program is to appropriate funds for debt service on Water Utility bonds.

	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
<b>Expenditures</b>				
Debt Service	79,597,322	80,703,111	78,798,440	81,023,938

### Other General Expenses Program

The purpose of the Water Utility Other General Expenses Program is to appropriate funds for the Water Fund's share of City central costs, claims, and other general expenses.

	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
<b>Expenditures</b>				
Other General Expenses	17,818,187	21,665,710	23,092,815	23,806,340

### Taxes Program

The purpose of the Water Utility Taxes Program is to appropriate funds for payment of City and state taxes.

	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
<b>Expenditures</b>				
Taxes	31,033,547	34,181,388	35,889,946	38,721,489

### **Habitat Conservation Program Budget Control Level**

The purpose of the Water Utility Habitat Conservation Budget Control Level, a Capital Improvement Program funded by water revenues, is to manage projects directly related to the Cedar River Watershed Habitat Conservation Plan.

	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
<b>Program Expenditures</b>				
Habitat Conservation Program	9,607,997	4,912,916	2,506,875	2,490,751
<b>Total</b>	<b>9,607,997</b>	<b>4,912,916</b>	<b>2,506,875</b>	<b>2,490,751</b>
Full-time Equivalents Total*	15.00	15.00	15.00	15.00

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## Seattle Public Utilities – Water Utility

### Other Operating Budget Control Level

The purpose of the Other Operating Budget Control Level is to fund the Water Utility's operating expenses for Field Operations, Pre-Capital Planning & Development, Project Delivery, and Utility Systems Management programs.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Field Operations	23,066,365	23,863,626	25,840,052	26,537,844
Pre-Capital Planning & Development	1,496,399	2,350,479	2,435,930	2,195,230
Project Delivery	4,183,234	5,169,506	4,805,650	4,918,331
Utility Systems Management	14,425,288	16,370,110	15,142,980	15,270,167
<b>Total</b>	<b>43,171,286</b>	<b>47,753,721</b>	<b>48,224,612</b>	<b>48,921,573</b>
Full-time Equivalents Total*	278.59	277.59	268.59	268.59

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**The following information summarizes the programs in Other Operating Budget Control Level:**

#### **Field Operations Program**

The purpose of the Water Utility Field Operations Program is to operate and maintain the infrastructure that provides the public with an adequate, reliable, and safe supply of high-quality drinking water.

<b>Expenditures/FTE</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Field Operations	23,066,365	23,863,626	25,840,052	26,537,844
Full-time Equivalents Total	129.00	129.00	122.00	122.00

#### **Pre-Capital Planning & Development Program**

The purpose of the Water Utility Pre-Capital Planning & Development Program is to support business case development, project plans, and options analysis for the water system. This program will capture all costs associated with a project that need to be expensed during the life-cycle of the project, including any post-construction monitoring and landscape maintenance.

<b>Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Pre-Capital Planning & Development	1,496,399	2,350,479	2,435,930	2,195,230

#### **Project Delivery Program**

The purpose of the Water Utility Project Delivery Program is to provide engineering design and support services, construction inspection, and project management services to Water Utility's capital improvement projects and to the managers of water facilities.

<b>Expenditures/FTE</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Project Delivery	4,183,234	5,169,506	4,805,650	4,918,331
Full-time Equivalents Total	24.50	24.50	24.50	24.50

## Seattle Public Utilities – Water Utility

### Utility Systems Management Program

The purpose of the Water Utility's Utility Systems Management Program is to assure that each SPU utility system and associated assets are properly planned, developed, operated and maintained and that asset management principles and practices are applied to achieve established customer and environmental service levels at the lowest life-cycle cost.

Expenditures/FTE	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Utility Systems Management	14,425,288	16,370,110	15,142,980	15,270,167
Full-time Equivalents Total	125.09	124.09	122.09	122.09

### Shared Cost Projects Budget Control Level

The purpose of the Water Utility Shared Cost Projects Budget Control Level, which is a Water Capital Improvement Program, is to implement the Water Utility's share of capital improvement projects that receive funding from multiple SPU funds.

Program Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Shared Cost Projects	7,502,503	14,640,817	15,795,455	19,402,731
<b>Total</b>	<b>7,502,503</b>	<b>14,640,817</b>	<b>15,795,455</b>	<b>19,402,731</b>
Full-time Equivalents Total*	56.00	56.00	56.00	56.00

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

### Technology Budget Control Level

The purpose of the Water Utility Technology Budget Control Level, a Capital Improvement Program, is to make use of technology to increase the Water Utility's efficiency and productivity.

Program Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Technology	3,631,554	5,357,841	9,174,364	8,596,072
<b>Total</b>	<b>3,631,554</b>	<b>5,357,841</b>	<b>9,174,364</b>	<b>8,596,072</b>
Full-time Equivalents Total*	22.00	22.00	22.00	22.00

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## Seattle Public Utilities – Water Utility

### Transmission Budget Control Level

The purpose of the Water Utility Transmission Budget Control Level, a Capital Improvement Program funded by water revenues, is to repair and upgrade the City's large transmission pipelines that bring untreated water to the treatment facilities, and convey water from the treatment facilities to Seattle and its suburban wholesale customers' distribution systems.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Transmission	77,782	1,343,332	1,702,753	3,075,786
<b>Total</b>	<b>77,782</b>	<b>1,343,332</b>	<b>1,702,753</b>	<b>3,075,786</b>
Full-time Equivalents Total*	5.00	5.00	5.00	5.00

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

### Water Quality & Treatment Budget Control Level

The purpose of the Water Utility Water Quality & Treatment Budget Control Level, a Capital Improvement Program funded by water revenues, is to design, construct, and repair water treatment facilities and remaining open-water reservoirs.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Water Quality & Treatment	15,576,488	6,613,000	3,333,857	5,303,791
<b>Total</b>	<b>15,576,488</b>	<b>6,613,000</b>	<b>3,333,857</b>	<b>5,303,791</b>
Full-time Equivalents Total*	14.00	14.00	14.00	14.00

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

### Water Resources Budget Control Level

The purpose of the Water Utility Water Resources Budget Control Level, a Capital Improvement Program funded by water revenues, is to repair and upgrade water transmission pipelines and promote residential and commercial water conservation.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Water Resources	3,302,435	5,616,275	6,682,957	8,212,072
<b>Total</b>	<b>3,302,435</b>	<b>5,616,275</b>	<b>6,682,957</b>	<b>8,212,072</b>
Full-time Equivalents Total*	12.00	12.00	12.00	12.00

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

## Seattle Public Utilities – Water Utility

### Watershed Stewardship Budget Control Level

The purpose of the Water Utility Watershed Stewardship Budget Control Level, a Capital Improvement Program funded by water revenues, is to implement projects associated with the natural land, forestry, and fishery resources within the Tolt, Cedar, and Lake Youngs watersheds.

Program Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Watershed Stewardship	796,748	1,827,598	3,000	1,999
<b>Total</b>	<b>796,748</b>	<b>1,827,598</b>	<b>3,000</b>	<b>1,999</b>
Full-time Equivalents Total*	8.00	8.00	8.00	8.00

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

### Water Utility Fund Table (43000)

	2011 Actuals	2012 Adopted	2012 Revised	2013 Proposed	2014 Proposed
<b>Operating Cash at End of Previous Year</b>	<b>8,433,609</b>	<b>7,119,558</b>	<b>7,223,730</b>	<b>7,345,000</b>	<b>7,561,000</b>
Plus: Actual and Estimated Revenue	241,781,475	251,772,656	249,944,323	254,670,658	269,025,289
Less: Actual and Budgeted Expenditures	243,445,060	258,563,931	258,630,716	264,709,635	281,002,564
CIP Accomplishment Assumptions	0	(8,325,909)	(8,326,000)	(8,846,602)	(10,121,520)
Accounting and Technical Adjustments	453,706	(1,219,247)	481,663	1,408,375	2,068,755
<b>Ending Operating Cash</b>	<b>7,223,730</b>	<b>7,434,945</b>	<b>7,345,000</b>	<b>7,561,000</b>	<b>7,774,000</b>



# Seattle Streetcar

Peter Hahn, Director

Department Information Line: (206) 684-7623

City of Seattle General Information: (206) 684-2489 TTY: (206) 615-0476

On the Web at: <http://www.seattle.gov/transportation/>



## Department Overview

The Seattle Streetcar is part of the Seattle Department of Transportation, with the specific purpose of operating and maintaining the lines of the Seattle Streetcar. The South Lake Union line began operation in late 2007, and the First Hill line is expected to begin operation in 2014.

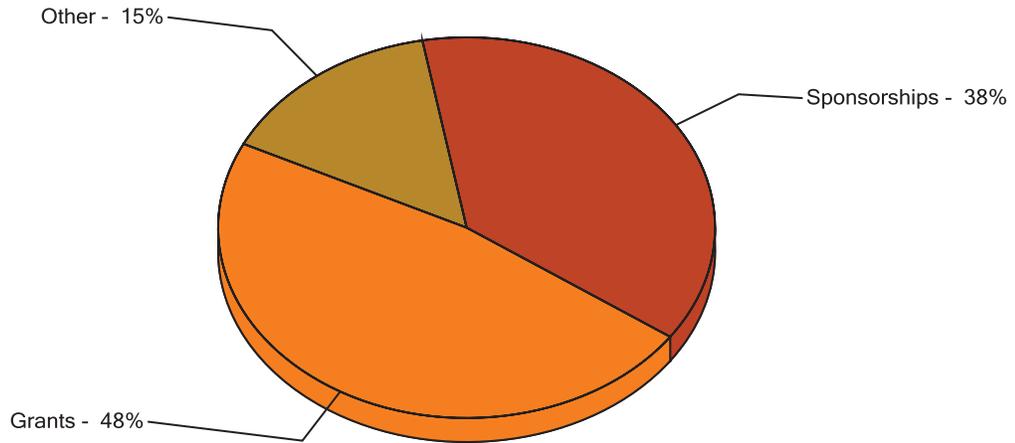
## Budget Snapshot

Department Support	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Other Funding - Operating	\$683,315	\$878,273	\$730,935	\$5,699,749
<b>Total Operations</b>	<b>\$683,315</b>	<b>\$878,273</b>	<b>\$730,935</b>	<b>\$5,699,749</b>
<b>Total Appropriations</b>	<b>\$683,315</b>	<b>\$878,273</b>	<b>\$730,935</b>	<b>\$5,699,749</b>
Full-time Equivalent Total*	0.00	0.00	0.00	0.00

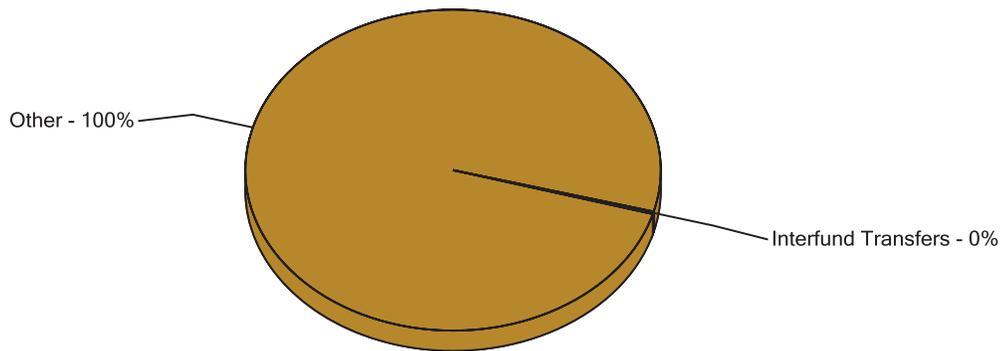
\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Personnel Director actions outside of the budget process may not be detailed here.

# Seattle Streetcar

## 2013 Proposed Budget - Revenue by Category



## 2013 Proposed Budget - Expenditure by Category



# Seattle Streetcar

## Budget Overview

The Seattle Streetcar consists of two lines - the South Lake Union Streetcar and, beginning in 2014, the First Hill Streetcar.

The City of Seattle contracts with King County Metro Transit to operate the South Lake Union line of the Seattle Streetcar. King County Metro Transit contributes 75% of the operating costs, and the City pays the remaining 25% to Metro for operation of the Streetcar. The City relies on the following sources of revenue for its 25% share: farebox recovery from pay stations, Federal Transit Administration grants, sponsorships, and donations. Ridership continues to increase year to year, but not as significantly as forecasted when the Streetcar was first implemented in 2007. Sponsorship revenues have also come in below early forecasts. Operating cash flow for the Streetcar continues to be a challenge, but current estimates assume positive cash flow for 2013 and beyond. As a result of this negative cash position, the initial start-up period of the South Lake Union Streetcar is supported by an interfund loan that was authorized by the City Council in June 2007 and amended in September 2009. The loan expires in December 2018.

The new First Hill line of the Seattle Streetcar is expected to be operational in the second quarter of 2014. Sound Transit will contract with the City for the full operations and maintenance of the line, and the City in turn will contract with King County Metro Transit to operate the line. This line will improve local transit service and regional transit connections by providing frequent service to Capitol Hill, First Hill, Yesler Terrace, the Central District, Little Saigon, Chinatown / International District, and Pioneer Square.

## Incremental Budget Changes

### Seattle Streetcar

	2013		2014	
	Budget	FTE	Budget	FTE
<b>Total 2012 Adopted Budget</b>	<b>\$ 878,273</b>	<b>0.00</b>	<b>\$ 878,273</b>	<b>0.00</b>
<b>Proposed Policy Changes</b>				
First Hill Operations	\$ 0	0.00	\$ 4,910,000	0.00
<b>Proposed Technical Changes</b>				
Technical Adjustments	-\$ 147,338	0.00	-\$ 88,524	0.00
<b>Total Incremental Changes</b>	<b>-\$ 147,338</b>	<b>0.00</b>	<b>\$ 4,821,476</b>	<b>0.00</b>
<b>2013 - 2014 Proposed Budget</b>	<b>\$ 730,935</b>	<b>0.00</b>	<b>\$ 5,699,749</b>	<b>0.00</b>

# Seattle Streetcar

## Description of Incremental Budget Changes

### Proposed Policy Changes

#### First Hill Operations

The 2013-2014 Proposed Budget increases appropriation authority in 2014 to reflect the anticipated expenditures for the operations and maintenance of the new First Hill Streetcar line, which is expected to be operational beginning in the second quarter of 2014. These costs will be fully supported by Sound Transit revenue, as detailed in an interlocal agreement. The City in turn will contract with King County Metro Transit to operate the new First Hill Streetcar line.

### Proposed Technical Changes

#### Technical Adjustments - (\$147,338)

This budget action represents two technical changes. The first is a decrease of approximately \$200,000 to reflect the reduction of a one-time Federal Transit Administration grant received in 2012 for system modernization of the South Lake Union line. The second adjustment reflects interest expense for the South Lake Union start-up interfund loan. Beginning in 2013, appropriations of \$50,000 annually are proposed for the annual interest expense on the loan.

## Expenditure Overview

Appropriations	Summit Code	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Streetcar Operations Budget Control Level	STCAR-OPER	683,315	878,273	730,935	5,699,749
<b>Department Total</b>		<b>683,315</b>	<b>878,273</b>	<b>730,935</b>	<b>5,699,749</b>
<b>Department Full-time Equivalents Total*</b>		<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

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

## Revenue Overview

### 2013 Estimated Revenues

Summit Code	Source	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
471010	FTA Funds	254,647	390,000	379,532	305,000
	<b>Total Grants</b>	<b>254,647</b>	<b>390,000</b>	<b>379,532</b>	<b>305,000</b>
439090	Other Private Contributions & Donations	65,000	0	0	0
444900	Other Charges - Transportation	112,144	95,150	118,974	5,032,543
	<b>Total Other</b>	<b>177,144</b>	<b>95,150</b>	<b>118,974</b>	<b>5,032,543</b>

## Seattle Streetcar

439090	Sponsorship Revenues	275,400	300,000	300,000	315,000
	<b>Total Sponsorships</b>	<b>275,400</b>	<b>300,000</b>	<b>300,000</b>	<b>315,000</b>
	<b>Total Revenues</b>	<b>707,191</b>	<b>785,150</b>	<b>798,506</b>	<b>5,652,543</b>
379100	Use of (Contribution To) Fund Balance	-23,876	93,123	-67,571	47,206
	<b>Total Use of Fund Balance</b>	<b>-23,876</b>	<b>93,123</b>	<b>-67,571</b>	<b>47,206</b>
	<b>Total Resources</b>	<b>683,315</b>	<b>878,273</b>	<b>730,935</b>	<b>5,699,749</b>

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

### Streetcar Operations Budget Control Level

The purpose of the Streetcar Operations Budget Control Level is to operate and maintain the South Lake Union line of the Seattle Streetcar.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Streetcar Operations	683,315	878,273	730,935	5,699,749
<b>Total</b>	<b>683,315</b>	<b>878,273</b>	<b>730,935</b>	<b>5,699,749</b>

### Streetcar Fund Table

#### Streetcar Fund (10810)

	<b>2011 Actuals</b>	<b>2012 Adopted</b>	<b>2012 Revised</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
<b>Beginning Fund Balance</b>	<b>-3,382,430</b>	<b>-3,459,576</b>	<b>-3,358,845</b>	<b>-3,304,057</b>	<b>-3,236,486</b>
Accounting and Technical Adjustments	-291	0	0	0	0
Plus: Actual and Estimated Revenues	707,191	785,150	933,061	798,506	5,652,543
Less: Actual and Budgeted Expenditures	683,315	878,273	878,273	730,935	5,699,749
<b>Ending Fund Balance</b>	<b>-3,358,845</b>	<b>-3,552,699</b>	<b>-3,304,057</b>	<b>-3,236,486</b>	<b>-3,283,692</b>
Interest Expense	0	10,000			
<b>Total Reserves</b>	<b>0</b>	<b>10,000</b>			
<b>Ending Unreserved Fund Balance</b>	<b>-3,358,845</b>	<b>-3,562,699</b>	<b>-3,304,057</b>	<b>-3,236,486</b>	<b>-3,283,692</b>



# Seattle Department of Transportation

Peter Hahn, Director

Department Information Line: (206) 684-7623

On the Web at: <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 transportation infrastructure is valued at over \$13 billion. Major system assets include: 1,540 lane-miles of arterial streets, 2,412 lane-miles of non-arterial streets, 135 bridges, 494 stairways, 587 retaining walls, 22 miles of seawalls, 1,060 signalized intersections, 47 miles of bike trails, more than 200 miles of on-street bicycle facilities, 35,000 street trees, 2,150 pay stations, 40 parking meters, and 26,200 curb ramps. The transportation infrastructure is valued at over \$13 billion.

## Seattle Department of Transportation

The SDOT budget is comprised of 11 different Budget Control Levels (BCLs) grouped into three Lines of Business (LOBs):

1. The Transportation Capital Improvement Program LOB is responsible for the major maintenance and replacement of SDOT's capital assets, as well as the development and construction of additions to the City's transportation infrastructure. This LOB contains the Major Maintenance/Replacement, Major Projects, and Mobility-Capital BCLs.
2. The Operations and Maintenance LOB handles the day-to-day operations and routine maintenance to keep people and goods moving throughout the City. This LOB includes operation of the City's movable bridges, traffic signals, street cleaning, pothole repairs, permit issuance, tree maintenance, and engineering and transportation planning. The six BCLs in this area are Bridges and Structures, Engineering Services, Mobility-Operations, Right-of-Way Management, Street Maintenance, and Urban Forestry.
3. The Business Management and Support LOB provides policy direction and business support for SDOT. These services are contained in two BCLs. Departmental support is in the Department Management BCL. The General Expense BCL includes debt service, judgment and claims payments, and the allocated City central costs the department pays for overall support services it receives from other departments.

The Capital Improvement Program (CIP) comprises two-thirds of SDOT's budget with the remaining attributable to operations and maintenance and self-supporting enterprise activities such as permits, utility cut restorations, and reimbursable contract work performed at the request of developers and the city's utilities.

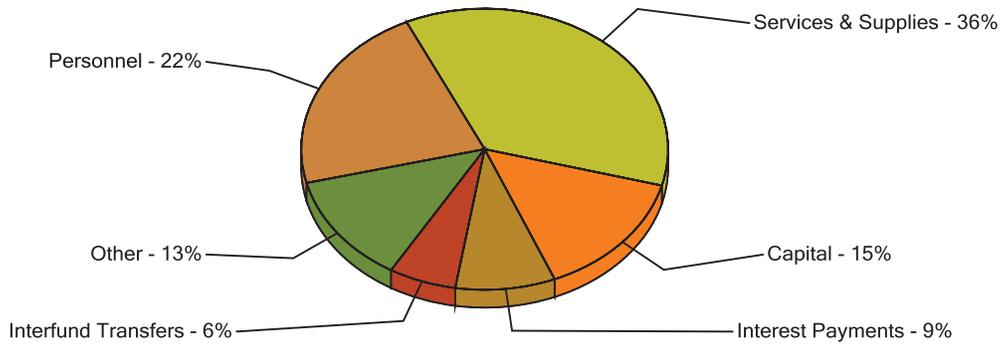
### Budget Snapshot

Department Support	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
General Fund Support	\$38,624,237	\$37,635,724	\$38,668,514	\$39,072,415
Other Funding	\$226,861,119	\$273,015,276	\$ 279,219,131	\$ 346,224,705
<b>Total Appropriations</b>	<b>\$265,485,356</b>	<b>\$310,651,000</b>	<b>\$317,887,645</b>	<b>\$385,297,119</b>
Full-time Equivalent Total*	721.00	721.00	725.50	725.50

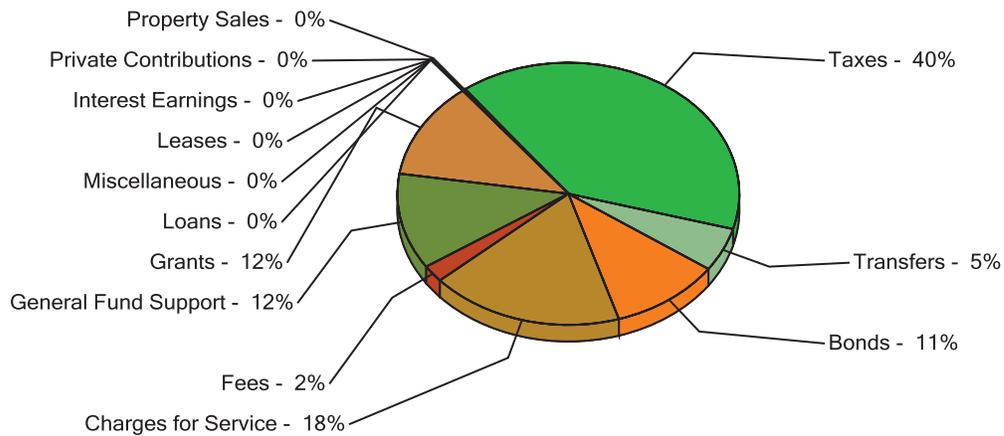
*\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Personnel Director actions outside of the budget process may not be detailed here.*

# Seattle Department of Transportation

## 2013 Proposed Budget - Expenditure by Category



## 2013 Proposed Budget - Revenue by Category



# Seattle Department of Transportation

## Budget Overview

The Seattle Department of Transportation (SDOT) is supported by several funding sources, including federal, state and local grants, state and regional partnership agreements, bonds, Bridging the Gap property tax levy, commercial parking tax, fees for service, real estate excise taxes, street vacations, Gas Tax, and an annual allocation from the City's General Fund. General Fund budget pressures require that SDOT make modest budget reductions. Gas Tax revenues, a source of weakness in earlier years, are projected to remain flat in 2013 and 2014, which requires SDOT to make modest reductions in Gas Tax-supported programs in order to compensate for expenditures increasing at the rate of inflation. Other revenue sources are slowly recovering from the economic downturn, and do not require reductions in 2013 or 2014.

### General Fund and Gas Tax Savings

In the 2013-2014 Proposed Budget, SDOT achieves General Fund reductions through a series of budget actions that will have virtually no impact on service delivery. First, due to revised cost projections and variance in project schedules, debt service expenditures are expected to cost significantly less than what had been originally projected for 2013. This change alone represents General Fund savings of approximately \$1.5 million over the biennium, partially offsetting the need for programmatic reductions in SDOT.

SDOT identified several areas where General Fund savings can be realized by shifting expenditures to other eligible funding sources. In some cases, these swaps represent one-time opportunities, including the utilization of the remaining fund balance from the now-defunct Employee Head Tax, unprogrammed 2011 fund balance from Vehicle License Fee revenues, and funds from the 2011 sale of the Rubble Yard property to the State of Washington. In 2015, alternative revenue sources will need to be identified to continue current service levels once these remaining fund balances have been exhausted. Economic forecasts indicate that the drivers behind several of SDOT's revenue streams will have improved by 2015. SDOT also identified opportunities to shift costs off of the General Fund on an ongoing basis. For the General Fund portion of stormwater pollution control, these expenditures are shifted to relevant Capital Improvement Program (CIP) projects, where all revenues of the project share the expense.

The Department continues to adjust staffing levels to meet programmatic needs. The 2013-2014 Proposed Budget includes a small number of staffing reductions that represent a "right-sizing" of staffing levels to match current programmatic needs. The budget also includes other administrative reductions, including the elimination of two accounting staff and one finance staff, and the elimination of General Fund-supported contingency funds. No service impacts are anticipated from these changes.

To address the need for modest reductions in Gas Tax-supported programs, due to projected revenues remaining flat in 2013 and 2014, the Proposed Budget shifts appropriate expenses to real estate excise tax revenue (REET) and to relevant CIP projects.

### Investing in Infrastructure

The 2013-2014 Proposed Budget for SDOT includes an investment of over \$21 million over the biennium to support critical infrastructure needs throughout the city. This represents revenue from REET, one-time revenue from the Bridging the Gap levy fund balance, revenues from the commercial parking tax, and General Fund. To identify the best uses of these funds, SDOT was guided by the 2012 Transportation Action Agenda, which is organized around the following five core principles:

- Keeping it Safe
- Focusing on the Basics
- Building Healthy Communities
- Supporting a Thriving Economy
- Providing Great Service

## Seattle Department of Transportation

Specifically, investments are focused on two categories: beginning to address the maintenance backlog, and investing in accordance with modal plans.

Investments to address the maintenance backlog are critical because deferred maintenance leads to costly repairs in the long run, and, due to funding constraints, the City lags far behind industry standards for repair and replacement cycles in many functional areas. To begin to address this challenge, the 2013-2014 Proposed Budget makes investments in the areas of bridge maintenance, bridge seismic preparation, sidewalk repair, traffic signal maintenance, and signage maintenance. Most notably, the budget increases the City's annual investment in street repair and maintenance from 2012 levels by over \$5 million.

Other investments follow the recommendations of the various modal plans: the Pedestrian Master Plan, the Bicycle Master Plan, the Transit Master Plan, and a potential Freight Master Plan. The Third Avenue corridor overlaps multiple modal plans, and is proposed to receive \$1 million in capital improvements. Other pedestrian and bicycle enhancements include investment in three Safe Routes to School projects, which improve safety along school walking and biking routes, and the development of a Center City Mobility Plan, which aims to create a livable and walkable Center City. Other multi-modal improvements include conceptual designs and early review for the Eastlake corridor, the Madison corridor, and ship canal crossings. Finally, funding for early work on the Freight Master Plan is included in the budget.

In 2014, \$2.5 million is designated in a reserve outside of SDOT's budget for further implementation of the Transit Master Plan (TMP). The TMP identified the highest priority corridors for high capacity transit service (HCT) in Seattle. The 2013-2014 Proposed Budget completes funding for corridor analyses of each of the priority HCT corridors. The TMP Investment Reserve will provide local matching funds to continue the next phase of work on each of these corridors, which will focus on design, engineering and environmental review. It is expected that the Center City Connector will be the first corridor to reach this phase. The TMP Investment Reserve will help the City secure federal grant funding to complete planning work in these corridors.

In addition to the two major categories above, investments are also proposed to implement the Road Safety Action Plan, and to increase emergency storm response funding to match the five-year average of actual storm response expenditures.

### Looking to the Future

Beginning in 2012, the Mayor and the City Council have engaged in a two-part consultant review of SDOT. The first phase will include an initial assessment of SDOT's organizational structure and operations to identify areas for more in-depth review. The second phase will involve a longer-term review of operational changes and efficiencies intended to provide ongoing benefits to Seattle residents and taxpayers. This review will focus on program-level improvements and recommendations, with the goal of identifying and recommending changes to operational approaches and management practices that could yield greater budget efficiencies, more productivity, and/or better outcomes for maintaining and improving the City's transportation infrastructure. The results of this study will be a valuable tool in the development of future budgets.

# Seattle Department of Transportation

## Incremental Budget Changes

### Seattle Department of Transportation

	2013		2014	
	Budget	FTE	Budget	FTE
<b>Total 2012 Adopted Budget</b>	<b>\$ 310,651,000</b>	<b>721.00</b>	<b>\$ 310,651,000</b>	<b>721.00</b>
<b>Baseline Changes</b>				
Citywide Adjustments for Standard Cost Changes	\$ 21,934,473	0.00	\$ 49,773,479	0.00
Removal of 2012 One-Time Adds	-\$ 9,639,810	0.00	-\$ 9,861,525	0.00
<b>Proposed Policy Changes</b>				
Transit Master Plan Implementation	\$ 4,441,999	3.00	\$ 1,110,083	3.00
Pedestrian and Bicycle Enhancements	\$ 2,183,999	3.50	\$ 950,999	3.50
Freight Mobility Enhancements	\$ 100,000	0.00	\$ 386,000	0.00
Street Repair and Maintenance Additions	\$ 6,190,000	0.00	\$ 6,270,000	0.00
Emergency Services Addition	\$ 336,000	0.00	\$ 336,000	0.00
Bridge Maintenance Additions	\$ 365,000	0.00	\$ 0	0.00
Signs and Signals Maintenance Additions	\$ 655,000	0.00	\$ 480,000	0.00
Neighborhood-Based Enhancements	\$ 124,999	0.50	\$ 125,000	0.50
General Mobility Enhancements	\$ 351,000	0.00	\$ 321,000	0.00
Street Use Permitting Additions	\$ 1,204,000	4.00	\$ 743,000	4.00
Staffing Additions for Major Projects	\$ 107,002	4.00	\$ 107,002	4.00
Right-Sizing Staffing Levels	-\$ 569,500	-7.50	-\$ 581,000	-7.50
Miscellaneous Staffing Reductions	-\$ 105,001	-3.00	-\$ 107,000	-3.00
Miscellaneous Discretionary Reductions	-\$ 129,000	0.00	-\$ 129,000	0.00
Rubble Yard Proceeds	\$ 1,797,499	0.00	\$ 1,857,900	0.00
<b>Proposed Technical Changes</b>				
Cost and Schedule Adjustments to Capital Projects	-\$ 16,705,224	0.00	\$ 25,473,548	0.00
Revenue Shifts to Save General Fund and Gas Tax	-\$ 197,988	0.00	-\$ 198,000	0.00
Technical Adjustments	-\$ 5,207,803	0.00	-\$ 2,411,367	0.00
<b>Total Incremental Changes</b>	<b>\$ 7,236,645</b>	<b>4.50</b>	<b>\$ 74,646,119</b>	<b>4.50</b>
<b>2013 - 2014 Proposed Budget</b>	<b>\$ 317,887,645</b>	<b>725.50</b>	<b>\$ 385,297,119</b>	<b>725.50</b>

# Seattle Department of Transportation

## Description of Incremental Budget Changes

### Baseline Changes

#### **Citywide Adjustments for Standard Cost Changes - \$21,934,473**

Citywide technical adjustments made in the "Baseline Phase" reflect changes due to inflation, central cost allocations, retirement, health care, workers' compensation, and employment costs. These adjustments reflect initial assumptions about these costs and inflators early in the budget process. Also included here are adjustments to reconcile SDOT's appropriations to the 2013-2014 planned allocations shown in the 2012-2017 Adopted CIP.

#### **Removal of 2012 One-Time Adds - (\$9,639,810)**

The "Baseline Phase" of the budget removed items that were included as one-time expenditures in the 2012 Adopted Budget. The majority of this amount represents the one-time transfer of \$8.1 million of unused Rubble Yard proceeds from SDOT's budget to a reserve in Finance General.

### Proposed Policy Changes

#### **Transit Master Plan Implementation - \$4,441,999/3.00 FTE**

The 2013-2014 Proposed Budget makes significant investments to begin implementation of the recently completed Transit Master Plan.

With \$1 million of REET, SDOT will make important capital upgrades to Third Avenue downtown. The Third Avenue corridor is a key part of the Mayor's Center City Initiative, which aims to create downtown Seattle streets that are safe, inviting and vibrant. These improvements include a major sidewalk expansion and enhancement near Macy's department store, upgrading all remaining pedestrian signals to countdown signals, and re-marking all faded crosswalks in the corridor.

The budget also includes a \$2 million investment of commercial parking tax to develop a conceptual design of high-capacity transit options in the Eastlake corridor, and \$500,000 of REET to analyze and design integrated pedestrian, bicycle and transit crossings of the Lake Union ship canal.

Using one-time fund balance from the Bridging the Gap Levy, the 2013-2014 Proposed Budget adds \$350,000 in 2013 and \$500,000 in 2014 to the Transit Corridor Improvements project, which implements projects that improve transit speed, reliability, access, and convenience, consistent with the Transit Master Plan. This funding will be specifically focused on the Madison corridor as identified in the Transit Master Plan. This funding will support conceptual design work and environmental review of the corridor.

In order to manage these projects and address existing staffing deficiencies, the budget also includes \$592,000 of General Fund for the addition of 3.0 FTEs in SDOT's Policy and Planning Division: 2.0 FTE Senior Transportation Planners and 1.0 FTE Strategic Advisor 2.

#### **Pedestrian and Bicycle Enhancements - \$2,183,999/3.50 FTE**

Enhancements to pedestrian and bicycle mobility are a key component of the 2013-2014 Proposed Budget. The budget includes \$800,000 of REET for three new Safe Routes to School projects, which improve safety along school walking and biking routes: sidewalk extension and curb bulb installation at McGilvra Elementary, intersection redesign and curb bulb installation at Beacon Hill Elementary, and a traffic signal and diverter at West Woodland Elementary. To manage these additional projects, the budget adds \$36,000 to increase an existing 0.5 FTE to full-time status.

## Seattle Department of Transportation

In addition to the Safe Routes to School Projects, the budget also programs \$600,000 in one-time Bridging the Gap Levy fund balance for Sidewalk Safety Repair, emphasizing projects located in Urban Villages and supporting low-income communities. This investment of \$200,000 in 2013 and \$400,000 in 2014 will increase the delivery of sidewalk repair in 2013 and 2014 by 5,000 feet annually.

Recognizing the value that greenways add to Seattle neighborhoods, the budget adds \$208,000 of General Fund and 1.0 FTE Strategic Advisor for greenway development and related community outreach throughout the city.

Though SDOT maintains robust data on vehicle traffic in the city, data related to other modes of transportation is limited. To remedy this, and to help inform future transportation system improvements, the 2013-2014 Proposed Budget adds \$100,000 of General Fund to support multi-modal data collection.

The 2013-2014 Proposed Budget adds \$325,000 of General Fund for the creation of the Center City Mobility Plan. In partnership with the Downtown Seattle Association, this work will represent a consolidation of relevant transportation plan information for the area. Of this amount, \$150,000 is specifically reserved for project development activities - including scope refinement, cost estimates, conceptual design and outreach - of bicycling corridors through Center City Seattle that make it safer and more convenient for people of all ages and abilities to ride.

The budget for the Shoreline Street Ends program is increased by \$215,000 in 2013 and \$203,000 in 2014. This increase is fully supported by revenues generated by shoreline street end permits. The additional funding will be used in accordance with restrictions enacted by ordinance: to support program administration, site maintenance and construction improvements. Specifically, the 2013-2014 funds will support the addition of 2.0 FTE Gardeners, and a one-time purchase of necessary tools and equipment.

Finally, the Burke Gilman Trail Extension project is proposed to receive a one-time investment of \$300,000 of General Fund for further work on this project.

### **Freight Mobility Enhancements - \$100,000**

Recognizing the critical importance of freight mobility to the economic vitality of the city, the 2013-2014 Proposed Budget adds \$486,000 over the biennium for freight mobility enhancements. The existing Freight Spot Improvements capital project, which makes small-scale freight mobility improvements to the City's street system, is increased by \$235,000 of REET in 2014. This project represents channelization, signage, pavement and signal changes that improve freight mobility and safety. In addition, \$100,000 of General Fund in 2013 and \$151,000 in 2014 is added to support a new Freight Master Plan, as freight planning has not been addressed since 2005.

### **Street Repair and Maintenance Additions - \$6,190,000**

The 2013-2014 Proposed Budget supplements base funding for Arterial Major Maintenance with \$3,040,000 of REET in each year of the biennium. Of this total, \$1 million each year maintains 2012 funding levels and FTEs, as the program relied on one-time revenue sources in 2011 and 2012. The additional \$2 million each year allows the program to expand and cover more pavement needs throughout the city. Arterial Major Maintenance projects span one to three city blocks, and the work is performed by SDOT crews. This work represents projects that are larger than spot repair, yet smaller than major projects which must be contracted out. The budget also adds \$1,150,000 of REET annually to supplement repair work on non-arterial streets.

### **Emergency Services Addition - \$336,000**

The Mayor's Proposed Budget recommends the addition of \$336,000 each year to SDOT's emergency response program. This amount raises emergency response funding levels to match the five-year average of actual storm response expenditures. This funding is critical to ensure that the City is equipped to recover quickly from winter storms. This is the same methodology used to allocated money for this purpose in 2012. However, in 2012, the funding source was one-time Rubble Yard proceeds. For 2013 and 2014, General Fund resources are provided.

# Seattle Department of Transportation

## **Bridge Maintenance Additions - \$365,000**

In recognition of SDOT's critical function to maintain the City's 92 bridges, the 2013 Proposed Budget includes one-time adds for bridge maintenance, funded by Bridging the Gap fund balance. The budget proposes \$270,000 to repair the automated control operations system for the University Bridge. The control system is 23 years old and is no longer supported by the manufacturer for replacement parts. It has had over 20 system failures in the last three years. The budget also proposes the addition of \$95,000 for the development of criteria and methodology for prioritizing bridge seismic upgrades. The original criteria and methodology were developed in 1991, and need to be updated to reflect changes in bridge standards, seismic codes, and City policies. With the original Bridging the Gap Levy, SDOT committed to implementing seismic retrofit upgrades on five City bridges by 2015. SDOT expects to exceed this commitment, implementing upgrades to seven bridges by the end of 2014.

## **Signs and Signals Maintenance Additions - \$655,000**

Using one-time fund balance from the Bridging the Gap Levy, the Proposed Budget makes critical investments to address the aging traffic signals and signs in the city. At current funding levels, the replacement cycles of traffic signals are three times longer than the recommended cycles, and sign maintenance replacement cycles are five times longer. Using \$560,000 over the biennium (\$280,000 each year), SDOT will address major maintenance needs on signals, including poles, spans, communication cables, signal cabinets, and pedestrian displays. With an additional \$400,000 over the biennium (\$200,000 each year), SDOT will perform maintenance on approximately 100 of the worst destination signs in the city. Finally, with a one-time investment of \$175,000, SDOT will purchase 44 new signal controllers to replace the remaining outdated signals.

## **Neighborhood-Based Enhancements - \$124,999/.50 FTE**

The 2013-2014 Proposed Budget adds \$125,000 of General Fund and a 0.5 FTE Associate Transportation Planner to provide preliminary engineering review services for potential capital projects related to the expansion of "Only in Seattle," a neighborhood business support program managed by the Office of Economic Development (OED). This program expansion is discussed further in the OED section of the budget.

The budget also supports neighborhood-based enhancements through the reservation of additional \$100,000 in REET funding for the Neighborhood Street Fund in 2014. Because this funding is in reserve outside of SDOT's budget, it does not impact the amount of incremental change shown.

## **General Mobility Enhancements - \$351,000**

To support general mobility throughout the city, the 2013-2014 Proposed Budget includes three additions. The first is a one-time allocation of \$150,000 of General Fund to assist SDOT in completing a curb ramp inventory to comply with the Americans with Disabilities Act and required by the Department of Justice.

Second, the budget adds \$101,000 in 2013 and \$221,000 in 2014 for operations, maintenance, evaluation and public education related to the e-Park program. This program guides motorists to available off-street parking spaces using signs that provide up-to-the-minute availability in downtown garages. Funding for this addition comes from the commercial parking tax.

Finally, the budget adds \$100,000 of General Fund in 2013 and again in 2014 to implement the Road Safety Action Plan. The action plan is a result of the Mayor's Road Safety Summit of 2011 which aimed to improve traffic safety for all modes of transportation. The plan is data-driven - focusing on locations where collisions frequently occur and targeting segments of the population most commonly involved in crashes - and has the long-term goal of eliminating traffic fatalities and serious injuries.

## **Street Use Permitting Additions - \$1,204,000/4.00 FTE**

There are three changes in the Proposed Budget related to SDOT's management of street use permitting. As the economy recovers, street use activity and related permitting needs are increasing. To accommodate this growth, the 2013-2014 Proposed Budget adds 1.0 FTE Senior Civil Engineer and 2.0 FTE Associate Civil Engineers to address the increase in permit volumes while maintaining strong customer service. These positions will be funded by \$569,000 of reimbursable revenues generated by the increased activity.

# Seattle Department of Transportation

SDOT's Street Use Permitting System, Hansen 7, will soon be incompatible with City technology systems and needs to be upgraded. Because the system is highly customized to reflect City specifications, an upgrade represents significant effort and cost. The Proposed Budget includes a one-time appropriation of \$485,000 to fund planning work related to the upgrade. The actual upgrade is anticipated to cost more, and will be reflected in a future budget. Both this planning work and the actual upgrade will be funded by the Street Use Cost Center.

## **Staffing Additions for Major Projects - \$107,002/4.00 FTE**

In recognition of several major projects that are moving forward, the Proposed Budget adds 4.0 FTE to ensure optimal major project management and oversight. These additions are being made with nominal General Fund support, and are almost fully reliant on non-General Fund sources.

First, the budget creates a Major Projects Director (Executive 2). This position was eliminated in a previous year, but is being restored in order to provide oversight to the several projects that are moving into design and construction. SDOT's Major Projects division is responsible for projects including the Alaskan Way Viaduct replacement, the Central Waterfront program implementation, the Elliott Bay Seawall replacement, Mercer Corridor West, King Street Station, the South Park Bridge, and rail transit projects, among others. Funding for this position includes \$3,000 of General Fund. The remainder of the expense is paid by SDOT's indirect cost pool, which is charged to all eligible revenue sources. Indirect costs fluctuate annually, and rates to each project are adjusted each year to cover the full amount of indirect costs. Therefore, other than the small General Fund amount, this item does not represent a net increase in SDOT's budget.

Two of the new positions have no funding change, as the funding was already included in the 2012-2017 Adopted CIP. These positions are: a Project Manager (Strategic Advisor 2) for the State Route 520 Project, and a Rail Program Coordinator (Strategic Advisor 1) to provide administrative support related to the City's partnership with Sound Transit on Seattle's growing light rail system.

Finally, the 2013-2014 Proposed Budget adds \$104,000 and creates a Central Waterfront Local Improvement District Manager (Strategic Advisor 2). This position will oversee everything related to the study and formation of a Local Improvement District (LID) to fund approximately \$250 million worth of improvements in the Central Waterfront Program. This is a 3-year position, and will be funded by future LID proceeds.

## **Right-Sizing Staffing Levels - (\$569,500)/(7.50) FTE**

Through the 2012 Adopted Budget, SDOT made significant cuts to align its staffing levels to its reduced workload, which was caused by a decrease in reimbursable work. The 2013 Proposed Budget further refines these adjustments by eliminating 3.0 FTE Cement Finishers for a savings of \$195,000. In addition, SDOT has realized efficiencies in workload management, which results in the elimination of 4.0 FTE Maintenance Operations positions (with \$338,500 of savings), and the reduction of a 1.0 FTE Training Coordinator position to 0.5 FTE (with \$36,000 of savings). There will be no service impacts as a result of these changes.

## **Miscellaneous Staffing Reductions - (\$105,001)/(3.00) FTE**

The 2013 Proposed Budget eliminates 2.0 FTE Accounting Technicians and 1.0 FTE vacant Finance Analyst, reflecting a decrease in work volumes. Due to process improvements and report automation, the elimination of these positions will not impact service levels. The amount of savings represents the portions of these positions that were supported by General Fund.

# Seattle Department of Transportation

## **Miscellaneous Discretionary Reductions - (\$129,000)**

The budget includes two non-labor discretionary reductions. The first is the elimination of \$99,000 in General Fund-supported operational contingency in SDOT, which existed to allow SDOT to respond to emergent issues during the year. Contingency funding remains in specific capital projects. The second is the reduction of maintenance for pedestrian wayfinding signs from \$50,000 in 2012 to \$20,000 in 2013 and 2014. This reduction can be taken without a service impact because a large backlog of work in this area will be completed in 2012.

## **Rubble Yard Proceeds - \$1,797,499**

The 2011 sale of the City's Rubble Yard property to the State of Washington generated \$19.8 million in proceeds. Of this amount, \$10.5 million was spent in 2011 and 2012, and \$9.3 million remains to be programmed in 2013 and 2014.

The proposed uses of Rubble Yard proceeds in the 2013-2014 Proposed Budget are consistent with the uses recommended for 2013 and 2014 in the 2012 Proposed Budget. The only change from the original recommendation is related to the relocation of the Rubble Yard. The relocation that was expected to take place in 2013 is instead taking place in 2012, and the cost of that relocation is approximately \$900,000 less than originally anticipated. The 2013-2014 Proposed Budget uses the unanticipated funding to preserve core transportation services in lieu of further General Fund cuts.

The 2013-2014 Proposed Budget includes \$2.4 million in 2013 and \$2.25 million in 2014 in Rubble Yard proceeds for the preservation of core transportation services such as street cleaning, landscape maintenance, neighborhood traffic control, and freight spot improvements. (Of the total amount for this purpose, \$602,000 was incorporated into SDOT's baseline budget because the funds represented planned CIP expenditures. The remaining \$1.8 million in 2013 is shown in this budget adjustment.) Though these are ongoing services, the revenue gap for funding this work is expected to last for a limited period of time. Economic forecasts indicate that the drivers behind several of SDOT's revenue streams will have improved by 2015.

The budget also includes \$1.65 million in 2013 in Rubble Yard proceeds to address critical street surface repair needs through the Enhanced Paving plan. Because this project is a planned CIP expenditure, it was incorporated into the baseline and therefore is not shown in this budget adjustment. This program will continue in 2014 with funding from the BTG Commercial Parking Tax.

The Mercer West project is budgeted to receive \$2 million of Rubble Yard proceeds in 2013. Again, because this is a planned CIP expenditure, it was incorporated into the baseline budget and therefore is not shown in this budget adjustment.

The remaining \$962,000 of Rubble Yard proceeds will be used to further preserve core services and save additional General Fund in 2014. This represents approximately \$903,000 in savings from the Rubble Yard relocation and approximately \$57,000 in unallocated Rubble Yard balances. This amount is not shown in the budget adjustment because it is a funding swap that results in a net-zero change.

## **Proposed Technical Changes**

### **Cost and Schedule Adjustments to Capital Projects - (\$16,705,224)**

Capital technical adjustments reflect updates to project schedules and spending plans. The implementation of SDOT's major projects spans multiple years and the 2013-2014 Proposed Budget adjustments primarily represent schedule shifts. Please see the 2013-2018 Proposed Capital Improvement Program for specific funding information.

These adjustments also include a technical change to remove \$1.1 million in General Fund from SDOT's CIP in order to align with planned resource needs reflected in the 2012-2017 Adopted CIP.

## Seattle Department of Transportation

### **Revenue Shifts to Save General Fund and Gas Tax - (\$197,988)**

Changes in this category represent a total of \$1.37 million in General Fund and Gas Tax savings, of which \$198,000 is ongoing. These reductions do not have any service impact as the corresponding work is fully funded by other eligible revenue sources. The one-time General Fund revenue swaps are achieved by utilizing \$356,000 of unprogrammed fund balance from the Vehicle License Fee, and \$490,000 of unprogrammed fund balance from the Employee Head Tax. These savings do not show in the budget adjustment because the result is a revenue swap with a net-zero appropriations change. The ongoing savings are primarily realized by shifting portions of functions such as stormwater pollution control to relevant SDOT CIP projects, where all revenues of the project will share the expense.

SDOT's Gas Tax revenues are projected to remain flat, which requires modest reductions in Gas Tax programs in order to compensate for expenditures increasing at the rate of inflation. These ongoing savings are achieved by shifting appropriate expenses to REET and to relevant CIP projects.

### **Technical Adjustments - (\$5,207,803)**

Technical Adjustments include the recognition of new grant revenue, budget-neutral internal transfers between programs, and Citywide changes to employee costs such as health care, retirement and unemployment. This category also includes adjustments to debt service payments, which represents a significant change from 2013 anticipated costs to the 2013-2014 Proposed Budget. This adjustment alone represents \$573,000 in General Fund savings in 2013 and \$1.07 million in 2014.

One technical adjustment of note is the projected reduction of \$100,000 in 2013 and \$167,000 in 2014 to reflect the anticipated reduction in credit card processing fees for parking pay station transactions due to implementation of the Pay-by-Phone parking program. Credit card processing costs are included in the user fees when paid parking payments are made from mobile devices. Budget adjustments for the Pay-by-Phone program related to enforcement activities are described in the Seattle Police Department section of the budget.

# Seattle Department of Transportation

## Expenditure Overview

<b>Appropriations</b>	<b>Summit Code</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
<b>Bridges &amp; Structures Budget Control</b>					
Bridge Operations		2,755,392	2,877,331	3,032,768	3,136,661
Structures Engineering		680,905	774,173	795,539	823,832
Structures Maintenance		3,566,931	4,069,795	3,651,169	3,758,339
<b>Total</b>	<b>17001</b>	<b>7,003,228</b>	<b>7,721,299</b>	<b>7,479,476</b>	<b>7,718,831</b>
<b>Department Management Budget Control</b>					
Director's Office		1,166,371	2,840,667	2,277,745	2,342,914
Division Management		9,992,647	13,630,277	12,770,394	13,094,515
Human Resources		677,669	1,237,924	1,218,573	1,254,597
Indirect Cost Recovery - Department Management		-21,039,071	-29,072,775	-28,841,160	-29,687,722
Public Information		591,633	978,700	1,068,448	1,101,365
Resource Management		7,665,542	20,244,148	12,208,543	12,600,040
Revenue Development		516,667	709,575	508,388	527,318
<b>Total</b>	<b>18001</b>	<b>-428,543</b>	<b>10,568,516</b>	<b>1,210,932</b>	<b>1,233,027</b>
<b>Engineering Services Budget Control Level</b>	<b>17002</b>	<b>2,020,457</b>	<b>1,624,523</b>	<b>2,233,658</b>	<b>2,155,438</b>
<b>General Expense Budget Control</b>					
City Central Costs		11,358,420	12,324,795	11,753,732	12,373,596
Debt Service		18,637,194	26,111,350	27,945,577	30,881,418
Indirect Cost Recovery - General Expense		-11,361,312	-11,657,438	-11,753,733	-12,373,596
Judgment & Claims		3,507,637	3,507,637	3,046,471	3,564,697
<b>Total</b>	<b>18002</b>	<b>22,141,939</b>	<b>30,286,344</b>	<b>30,992,047</b>	<b>34,446,115</b>
<b>Major Maintenance/Replacement Budget Control</b>					
Bridges & Structures		14,250,598	15,032,000	20,463,316	11,806,419
Landslide Mitigation		544,671	454,000	408,995	411,615
Roads		27,864,473	18,732,999	19,564,897	27,519,524
Sidewalk Maintenance		1,641,141	1,814,000	2,073,367	2,324,913
Trails and Bike Paths		2,591,321	5,497,000	5,778,425	6,851,528
<b>Total</b>	<b>19001</b>	<b>46,892,204</b>	<b>41,529,999</b>	<b>48,289,000</b>	<b>48,914,000</b>
<b>Major Projects Budget Control</b>					
Alaskan Way Viaduct and Seawall Replacement		17,848,935	16,627,000	72,199,013	136,724,823
First Hill Streetcar		8,616,192	48,623,000	24,816,642	26,510,905
Magnolia Bridge Replacement		463	0	0	0
Mercer Corridor		19,438,342	10,854,000	5,465,368	499,982
Mercer West		4,463,544	11,173,000	26,854,000	31,958,804

## Seattle Department of Transportation

	Summit Code	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Spokane Street Viaduct		33,642,172	11,815,000	0	0
SR-520		96,803	259,944	266,978	274,004
<b>Total</b>	<b>19002</b>	<b>84,106,450</b>	<b>99,351,944</b>	<b>129,602,000</b>	<b>195,968,519</b>
<b>Mobility-Capital Budget Control</b>					
Corridor & Intersection Improvements		6,183,594	11,660,000	5,636,383	4,714,965
Freight Mobility		2,670,723	1,823,991	400,608	424,894
Intelligent Transportation System		853,376	0	0	0
Neighborhood Enhancements		2,995,938	10,514,001	3,384,365	3,807,734
New Trails and Bike Paths		8,651,910	15,026	314,135	6,053
Sidewalks & Pedestrian Facilities		5,612,736	8,041,500	6,580,607	5,858,467
Transit & HOV		12,182,484	14,427,871	4,585,902	1,599,887
<b>Total</b>	<b>19003</b>	<b>39,150,761</b>	<b>46,482,389</b>	<b>20,902,000</b>	<b>16,412,000</b>
<b>Mobility-Operations Budget Control</b>					
Commuter Mobility		9,994,185	12,189,550	11,305,570	11,510,943
Neighborhoods		1,347,162	1,848,516	2,574,179	2,661,061
Parking		7,378,255	8,551,055	8,414,048	8,716,699
Signs & Markings		3,162,202	3,827,600	4,787,672	4,912,640
Traffic Signals		7,628,126	8,722,841	8,586,254	8,655,502
<b>Total</b>	<b>17003</b>	<b>29,509,929</b>	<b>35,139,562</b>	<b>35,667,724</b>	<b>36,456,846</b>
<b>ROW Management Budget Control Level</b>	<b>17004</b>	<b>9,256,643</b>	<b>11,524,423</b>	<b>13,733,267</b>	<b>13,623,961</b>
<b>Street Maintenance Budget Control</b>					
Emergency Response		1,520,935	2,210,050	1,951,627	1,992,517
Operations Support		3,559,363	4,104,354	4,206,905	4,300,872
Pavement Management		214,374	87,193	284,075	295,125
Street Cleaning		4,868,677	4,438,281	5,303,120	5,386,919
Street Repair		11,757,754	11,179,495	11,421,044	11,635,744
<b>Total</b>	<b>17005</b>	<b>21,921,103</b>	<b>22,019,373</b>	<b>23,166,772</b>	<b>23,611,176</b>
<b>Urban Forestry Budget Control</b>					
Arborist Services		1,270,829	970,067	1,028,688	1,061,302
Tree & Landscape Maintenance		2,640,354	3,432,561	3,582,080	3,695,904
<b>Total</b>	<b>17006</b>	<b>3,911,183</b>	<b>4,402,628</b>	<b>4,610,768</b>	<b>4,757,206</b>
<b>Department Total</b>		<b>265,485,356</b>	<b>310,651,000</b>	<b>317,887,645</b>	<b>385,297,119</b>
<b>Department Full-time Equivalent Total*</b>		<b>721.00</b>	<b>721.00</b>	<b>725.50</b>	<b>725.50</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.

# Seattle Department of Transportation

## Revenue Overview

### 2013 Estimated Revenues

Summit Code	Source	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
481100	LTGO Bond Proceeds	34,770,427	30,977,891	34,301,043	15,003,776
	<b>Total Bonds</b>	<b>34,770,427</b>	<b>30,977,891</b>	<b>34,301,043</b>	<b>15,003,776</b>
422490	Other Street Use & Curb Permit	11,487,587	5,352,435	6,773,956	7,282,034
422990	Other Non-Business Licenses Fees	1,168,708	917,418	1,118,792	952,795
442490	Other Protective Inspection	0	959,606	1,219,624	1,315,947
444100	Street Maintenance & Repair Charges	129,003	954,366	741,751	765,487
444900	Other Charges - Transportation	45,136,816	62,754,266	41,304,652	49,824,977
543210	IF Architect/Engineering Services C	0	354,000	1,290,338	400,000
544900	IF Other Charges - Transportation	11,269,146	6,602,429	7,283,057	7,748,319
	<b>Total Charges for Service</b>	<b>69,191,260</b>	<b>77,894,520</b>	<b>59,732,169</b>	<b>68,289,558</b>
419999	Transportation Benefit District - VLF	3,719,889	6,800,000	6,868,000	6,937,000
	<b>Total Fees</b>	<b>3,719,889</b>	<b>6,800,000</b>	<b>6,868,000</b>	<b>6,937,000</b>
587001	General Fund	39,119,237	37,635,725	38,668,514	39,072,415
	<b>Total General Subfund Support</b>	<b>39,119,237</b>	<b>37,635,725</b>	<b>38,668,514</b>	<b>39,072,415</b>
471010	Federal Grants	23,530,482	16,868,153	12,897,720	13,029,860
474010	State Grants	6,471,769	21,389,519	12,220,135	21,724,159
477010	Interlocal Grants	570,060	1,425,046	0	0
577010	IF Capital Contributions & Grants	0	2,000,000	13,900,000	20,000,000
	<b>Total Grants</b>	<b>30,572,311</b>	<b>41,682,718</b>	<b>39,017,855</b>	<b>54,754,019</b>
461110	Investment Earnings on Residual Cash Balances	117,940	0	0	0
	<b>Total Interest Earnings</b>	<b>117,940</b>	<b>0</b>	<b>0</b>	<b>0</b>
462500	LT Space/Facilities Leases	37,489	0	0	0
	<b>Total Leases</b>	<b>37,489</b>	<b>0</b>	<b>0</b>	<b>0</b>
481800	Long-Term Intergovtl Loan Proceeds	248,108	1,800,000	0	0
	<b>Total Loans</b>	<b>248,108</b>	<b>1,800,000</b>	<b>0</b>	<b>0</b>
469990	Other Miscellaneous Revenues	100,402	0	0	0
	<b>Total Miscellaneous</b>	<b>100,402</b>	<b>0</b>	<b>0</b>	<b>0</b>
441930	Private Reimbursements	55,575	5,750,000	500,000	0
	<b>Total Private Contributions</b>	<b>55,575</b>	<b>5,750,000</b>	<b>500,000</b>	<b>0</b>
485110	Property Proceeds	0	0	500,000	14,900,000
485110	Rubble Yard Proceeds	19,800,000	0	0	0
	<b>Total Property Sales</b>	<b>19,800,000</b>	<b>0</b>	<b>500,000</b>	<b>14,900,000</b>

## Seattle Department of Transportation

411100	BTG-Property Tax Levy	40,324,961	40,694,000	41,487,000	42,221,000
416310	BTG-Commercial Parking Tax	23,516,949	24,607,623	25,033,000	26,159,000
418800	BTG-Employee Hours Tax	253,726	0	0	0
419997	Commercial Parking Tax - AWW	5,162,257	6,151,906	6,258,000	6,540,000
436088	Motor Vehicle Fuel Tax - Street Improvement	12,652,852	12,964,909	12,964,909	12,964,909
599999	Seawall and Central Waterfront Levy	0	0	43,700,000	78,000,000
	<b>Total Taxes</b>	<b>81,910,745</b>	<b>84,418,438</b>	<b>129,442,909</b>	<b>165,884,909</b>
587116	OPER TR IN-FR Cumulative Reserve Subfund - REET II	5,418,543	4,071,000	10,200,000	7,384,000
587116	OPER TR IN-FR Cumulative Reserve Subfund - Street Vacations	0	1,188,500	0	0
587116	OPER TR IN-FR Cumulative Reserve Subfund - Unrestricted	0	1,074,150	1,025,625	504,500
587118	OPER TR IN-FR Emergency Subfund	37,343	0	0	0
587331	OPER TR IN-FR Park Renov/Improv	0	0	0	0
587338	OP TSF IN 2000 Park Levy Fund	2,586,064	0	0	0
587339	OPER TR IN-FR Finance General	0	0	4,049,500	3,154,857
587355	Oper TR IN-FR 2011 LTGO Bond Fund	6,435,745	0	0	0
587410	Oper TR IN-FR Seattle City Light Fund	0	2,207,000	2,320,000	2,400,000
587624	OPER TR IN-FR General Trust Fund	0	0	0	0
	<b>Total Transfers from Other City Funds</b>	<b>14,477,695</b>	<b>8,540,650</b>	<b>17,595,125</b>	<b>13,443,357</b>
	<b>Total Revenues</b>	<b>294,121,077</b>	<b>295,499,942</b>	<b>326,625,615</b>	<b>378,285,034</b>
379100	Use of (Contribution to) Fund Balance	-28,635,721	15,151,058	-8,737,970	7,012,085
	<b>Total Use of Fund Balance</b>	<b>-28,635,721</b>	<b>15,151,058</b>	<b>-8,737,970</b>	<b>7,012,085</b>
	<b>Total Resources</b>	<b>265,485,356</b>	<b>310,651,000</b>	<b>317,887,645</b>	<b>385,297,119</b>

# Seattle Department of Transportation

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

### Bridges & Structures Budget Control Level

The purpose of the Bridges and Structures Budget Control Level is to maintain the City's bridges and structures which helps provide for the safe and efficient movement of people, goods and services throughout the city.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Bridge Operations	2,755,392	2,877,331	3,032,768	3,136,661
Structures Engineering	680,905	774,173	795,539	823,832
Structures Maintenance	3,566,931	4,069,795	3,651,169	3,758,339
<b>Total</b>	<b>7,003,228</b>	<b>7,721,299</b>	<b>7,479,476</b>	<b>7,718,831</b>
Full-time Equivalents Total*	56.50	56.50	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.

*The following information summarizes the programs in Bridges & Structures Budget Control Level:*

#### **Bridge Operations Program**

The purpose of the Bridge Operations Program is to ensure the safe and efficient operation and preventive maintenance for over 180 bridges throughout the city.

<b>Expenditures/FTE</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Bridge Operations	2,755,392	2,877,331	3,032,768	3,136,661
Full-time Equivalents Total	28.00	28.00	28.00	28.00

#### **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>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Structures Engineering	680,905	774,173	795,539	823,832
Full-time Equivalents Total	5.75	5.75	5.75	5.75

#### **Structures Maintenance Program**

The purpose of the Structures Maintenance Program is to provide for the maintenance of all of the city's bridges, roadside structures and stairways.

<b>Expenditures/FTE</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Structures Maintenance	3,566,931	4,069,795	3,651,169	3,758,339
Full-time Equivalents Total	22.75	22.75	22.75	22.75

# Seattle Department of Transportation

## Department Management Budget Control Level

The purpose of the Department Management Budget Control Level is to provide leadership and operations support services to accomplish the mission and goals of the department.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Director's Office	1,166,371	2,840,667	2,277,745	2,342,914
Division Management	9,992,647	13,630,277	12,770,394	13,094,515
Human Resources	677,669	1,237,924	1,218,573	1,254,597
Indirect Cost Recovery - Department Management	-21,039,071	-29,072,775	-28,841,160	-29,687,722
Public Information	591,633	978,700	1,068,448	1,101,365
Resource Management	7,665,542	20,244,148	12,208,543	12,600,040
Revenue Development	516,667	709,575	508,388	527,318
<b>Total</b>	<b>-428,543</b>	<b>10,568,516</b>	<b>1,210,932</b>	<b>1,233,027</b>
Full-time Equivalents Total*	44.00	126.50	123.50	123.50

\* 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 Department Management Budget Control Level:*

### Director's Office Program

The purpose of the Director's Office Program is to provide overall direction and guidance to accomplish the mission and goals of the department.

<b>Expenditures/FTE</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Director's Office	1,166,371	2,840,667	2,277,745	2,342,914
Full-time Equivalents Total	6.50	5.00	5.00	5.00

### Division Management Program

The purpose of the Division Management Program is to provide division leadership and unique transportation technical expertise to accomplish the division's goals and objectives in support of the department's mission.

<b>Expenditures/FTE</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Division Management	9,992,647	13,630,277	12,770,394	13,094,515
Full-time Equivalents Total	0.50	29.50	29.50	29.50

### Human Resources Program

The purpose of the Human Resources Program is to provide employee support services, safety management and other personnel expertise to the department and its employees.

<b>Expenditures/FTE</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Human Resources	677,669	1,237,924	1,218,573	1,254,597
Full-time Equivalents Total	11.75	9.75	9.75	9.75

# Seattle Department of Transportation

## Indirect Cost Recovery - Department Management Program

The purpose of the Indirect Cost Recovery - Department Management Program is to allocate departmental indirect costs to all transportation activities and capital projects and equitably recover funding from them to support departmental management and support services essential to the delivery of transportation services to the public.

<b>Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Indirect Cost Recovery - Department Management	-21,039,071	-29,072,775	-28,841,160	-29,687,722

## Public Information Program

The purpose of the Public Information Program is to manage all community and media relations and outreach for the department, including all public information requests and inquiries from the City Council and other government agencies. Public Information also maintains the ROADS hotline and the SDOT web site for both residents and department staff.

<b>Expenditures/FTE</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Public Information	591,633	978,700	1,068,448	1,101,365
Full-time Equivalents Total	1.75	7.50	7.50	7.50

## Resource Management Program

The purpose of the Resource Management Program is to provide the internal financial, accounting, information technology and office space management support for all SDOT business activities.

<b>Expenditures/FTE</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Resource Management	7,665,542	20,244,148	12,208,543	12,600,040
Full-time Equivalents Total	11.00	69.00	66.00	66.00

## Revenue Development Program

The purpose of the Revenue Development Program is to identify funding, grant and partnership opportunities for transportation projects and provide lead coordination for grant applications and reporting requirements.

<b>Expenditures/FTE</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Revenue Development	516,667	709,575	508,388	527,318
Full-time Equivalents Total	12.50	5.75	5.75	5.75

## Seattle Department of Transportation

### Engineering Services Budget Control Level

The purpose of the Engineering Services Budget Control Level is to provide construction management for capital projects, engineering support for street vacations, the scoping of neighborhood projects, and other transportation activities requiring transportation engineering and project management expertise.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Engineering & Operations Support	2,020,457	1,624,523	2,233,658	2,155,438
<b>Total</b>	<b>2,020,457</b>	<b>1,624,523</b>	<b>2,233,658</b>	<b>2,155,438</b>
Full-time Equivalents Total*	5.00	24.75	25.75	25.75

\* 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.

### General Expense Budget Control Level

The purpose of the General Expense Budget Control Level is to account for certain City business expenses necessary to the overall effective and efficient delivery of transportation services. It equitably recovers funding from all transportation funding sources to pay for these indirect cost services. It also includes Judgment and Claims contributions and debt service payments.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
City Central Costs	11,358,420	12,324,795	11,753,732	12,373,596
Debt Service	18,637,194	26,111,350	27,945,577	30,881,418
Indirect Cost Recovery - General Expense	-11,361,312	-11,657,438	-11,753,733	-12,373,596
Judgment & Claims	3,507,637	3,507,637	3,046,471	3,564,697
<b>Total</b>	<b>22,141,939</b>	<b>30,286,344</b>	<b>30,992,047</b>	<b>34,446,115</b>

*The following information summarizes the programs in General Expense Budget Control Level:*

#### **City Central Costs Program**

The purpose of the City Central Costs Program is to allocate the City's general services costs to SDOT in a way that benefits the delivery of transportation services to the public.

<b>Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
City Central Costs	11,358,420	12,324,795	11,753,732	12,373,596

#### **Debt Service Program**

The purpose of the Debt Service Program is to meet principal repayment and interest obligations on debt proceeds that are appropriated in SDOT's budget.

<b>Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Debt Service	18,637,194	26,111,350	27,945,577	30,881,418

# Seattle Department of Transportation

## Indirect Cost Recovery - General Expense Program

The purpose of the Indirect Cost Recovery - General Expense Program is to equitably recover funding from all transportation activities and capital projects to pay for allocated indirect costs for city services that are essential to the delivery of transportation services to the public.

Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Indirect Cost Recovery - General Expense	-11,361,312	-11,657,438	-11,753,733	-12,373,596

## Judgment & Claims Program

The purpose of the Judgment & Claims Program is to represent SDOT's annual contribution to the City's centralized self-insurance pool from which court judgments and claims against the City are paid.

Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Judgment & Claims	3,507,637	3,507,637	3,046,471	3,564,697

## Major Maintenance/Replacement Budget Control Level

The purpose of the Major Maintenance/Replacement Budget Control Level is to provide maintenance and replacement of roads, trails, bike paths, bridges and structures.

Program Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Bridges & Structures	14,250,598	15,032,000	20,463,316	11,806,419
Landslide Mitigation	544,671	454,000	408,995	411,615
Roads	27,864,473	18,732,999	19,564,897	27,519,524
Sidewalk Maintenance	1,641,141	1,814,000	2,073,367	2,324,913
Trails and Bike Paths	2,591,321	5,497,000	5,778,425	6,851,528
<b>Total</b>	<b>46,892,204</b>	<b>41,529,999</b>	<b>48,289,000</b>	<b>48,914,000</b>
Full-time Equivalents Total*	81.50	59.00	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 Major Maintenance/Replacement Budget Control Level:**

### **Bridges & Structures Program**

The purpose of the Bridges & Structures Program is to provide for safe and efficient use of the city's bridges and structures to all residents of Seattle and adjacent regions to ensure movement of people, goods and services throughout the city.

Expenditures/FTE	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Bridges & Structures	14,250,598	15,032,000	20,463,316	11,806,419
Full-time Equivalents Total	8.25	21.50	21.50	21.50

# Seattle Department of Transportation

## 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>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Landslide Mitigation	544,671	454,000	408,995	411,615
Full-time Equivalents Total	11.75	2.00	2.00	2.00

## 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>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Roads	27,864,473	18,732,999	19,564,897	27,519,524
Full-time Equivalents Total	6.00	18.50	18.50	18.50

## Sidewalk Maintenance Program

The purpose of the Sidewalk Maintenance Program is to maintain and provide safe and efficient use of the city's sidewalks to all residents of Seattle and adjacent regions to ensure movement of people, goods and services throughout the city.

<b>Expenditures/FTE</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Sidewalk Maintenance	1,641,141	1,814,000	2,073,367	2,324,913
Full-time Equivalents Total	44.00	6.50	6.50	6.50

## Trails and Bike Paths Program

The purpose of the Trails and Bike Paths Program is to maintain and provide safe and efficient use of the city's trails and bike paths to all residents of Seattle and adjacent regions to ensure movement of people, goods and services throughout the city.

<b>Expenditures/FTE</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Trails and Bike Paths	2,591,321	5,497,000	5,778,425	6,851,528
Full-time Equivalents Total	11.50	10.50	10.50	10.50

## Seattle Department of Transportation

### **Major Projects Budget Control Level**

The purpose of the Major Projects Budget Control Level is to design, manage and construct improvements to the transportation infrastructure for the benefit of the traveling public including freight, transit, other public agencies, pedestrians, bicyclists and motorists.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Alaskan Way Viaduct and Seawall Replacement	17,848,935	16,627,000	72,199,013	136,724,823
First Hill Streetcar	8,616,192	48,623,000	24,816,642	26,510,905
Magnolia Bridge Replacement	463	0	0	0
Mercer Corridor	19,438,342	10,854,000	5,465,368	499,982
Mercer West	4,463,544	11,173,000	26,854,000	31,958,804
Spokane Street Viaduct	33,642,172	11,815,000	0	0
SR-520	96,803	259,944	266,978	274,004
<b>Total</b>	<b>84,106,450</b>	<b>99,351,944</b>	<b>129,602,000</b>	<b>195,968,519</b>
Full-time Equivalents Total*	151.25	32.75	35.75	35.75

*\* 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 Major Projects Budget Control Level:**

#### **Alaskan Way Viaduct and Seawall Replacement Program**

The purpose of the Alaskan Way Viaduct and Seawall Replacement Program is to fund the City's involvement in the replacement of the seismically-vulnerable viaduct and seawall. The Alaskan Way Viaduct is part of State Route 99, which carries one-quarter of the north-south traffic through downtown Seattle and is a major truck route serving the city's industrial areas.

<b>Expenditures/FTE</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Alaskan Way Viaduct and Seawall Replacement	17,848,935	16,627,000	72,199,013	136,724,823
Full-time Equivalents Total	33.25	18.50	19.50	19.50

#### **First Hill Streetcar Program**

The purpose of the First Hill Streetcar Program is to support the First Hill Streetcar project, which connects First Hill employment centers to the regional Link light rail system, including but not limited to the International District/Chinatown Station and Capitol Hill Station at Broadway and John Street.

<b>Expenditures/FTE</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
First Hill Streetcar	8,616,192	48,623,000	24,816,642	26,510,905
Full-time Equivalents Total	0.00	0.00	1.00	1.00

# Seattle Department of Transportation

## Magnolia Bridge Replacement Program

The purpose of the Magnolia Bridge Replacement Program is to evaluate possible locations and bridge types for the replacement of the Magnolia Bridge, and to ultimately replace the bridge, which was damaged by a landslide in 1997 and the Nisqually earthquake in 2001.

<b>Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Magnolia Bridge Replacement	463	0	0	0

## Mercer Corridor Program

The purpose of the Mercer Corridor Program is to use existing street capacity along the Mercer Corridor and South Lake Union more efficiently and enhance all modes of travel, including pedestrian mobility.

<b>Expenditures/FTE</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Mercer Corridor	19,438,342	10,854,000	5,465,368	499,982
Full-time Equivalents Total	18.75	7.25	7.25	7.25

## 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>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Mercer West	4,463,544	11,173,000	26,854,000	31,958,804

## Spokane Street Viaduct Program

The purpose of the Spokane Street Viaduct Program is to improve the safety of the Spokane Street Viaduct by building a new structure parallel and connected to the existing one and widening the existing viaduct.

<b>Expenditures/FTE</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Spokane Street Viaduct	33,642,172	11,815,000	0	0
Full-time Equivalents Total	32.75	6.50	6.50	6.50

## 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>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
SR-520	96,803	259,944	266,978	274,004
Full-time Equivalents Total	66.50	0.50	1.50	1.50

## Seattle Department of Transportation

### **Mobility-Capital Budget Control Level**

The purpose of the Mobility-Capital Budget Control Level is to help maximize the movement of traffic throughout the city by enhancing all modes of transportation including corridor and intersection improvements, transit and HOV improvements, and sidewalk and pedestrian facilities.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Corridor & Intersection Improvements	6,183,594	11,660,000	5,636,383	4,714,965
Freight Mobility	2,670,723	1,823,991	400,608	424,894
Intelligent Transportation System	853,376	0	0	0
Neighborhood Enhancements	2,995,938	10,514,001	3,384,365	3,807,734
New Trails and Bike Paths	8,651,910	15,026	314,135	6,053
Sidewalks & Pedestrian Facilities	5,612,736	8,041,500	6,580,607	5,858,467
Transit & HOV	12,182,484	14,427,871	4,585,902	1,599,887
<b>Total</b>	<b>39,150,761</b>	<b>46,482,389</b>	<b>20,902,000</b>	<b>16,412,000</b>
Full-time Equivalents Total*	151.75	63.00	65.50	65.50

*\* 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 Control Level:**

#### **Corridor & Intersection Improvements Program**

The purpose of the Corridor & Intersection Improvements Program is to analyze and make improvements to corridors and intersections to move traffic more efficiently. Examples of projects include signal timing, left turn signals and street improvements.

<b>Expenditures/FTE</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Corridor & Intersection Improvements	6,183,594	11,660,000	5,636,383	4,714,965
Full-time Equivalents Total	2.25	11.75	13.75	13.75

#### **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>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Freight Mobility	2,670,723	1,823,991	400,608	424,894
Full-time Equivalents Total	34.25	1.75	1.75	1.75

# 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.

<b>Expenditures/FTE</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Intelligent Transportation System	853,376	0	0	0
Full-time Equivalents Total	0.75	12.50	12.50	12.50

## Neighborhood Enhancements Program

The purpose of the Neighborhood Enhancements Program is to make safe and convenient neighborhoods by improving sidewalks, traffic circles, streetscape designs and the installation of pay stations.

<b>Expenditures/FTE</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Neighborhood Enhancements	2,995,938	10,514,001	3,384,365	3,807,734
Full-time Equivalents Total	21.25	11.00	11.00	11.00

## New Trails and Bike Paths Program

The purpose of the New Trails and Bike Paths Program is to construct new trails and bike paths that connect with existing facilities to let users transverse the city on a dedicated network of trails and paths.

<b>Expenditures/FTE</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
New Trails and Bike Paths	8,651,910	15,026	314,135	6,053
Full-time Equivalents Total	62.00	8.25	8.25	8.25

## Sidewalks & Pedestrian Facilities Program

The purpose of the Sidewalks & Pedestrian Facilities Program is to install new facilities that help pedestrians move safely along the city's sidewalks by installing or replacing sidewalks, modifying existing sidewalks for elderly and handicapped accessibility, and increasing pedestrian lighting.

<b>Expenditures/FTE</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Sidewalks & Pedestrian Facilities	5,612,736	8,041,500	6,580,607	5,858,467
Full-time Equivalents Total	8.75	11.75	12.25	12.25

## Transit & HOV Program

The purpose of the Transit & HOV Program is to move more people in less time throughout the city.

<b>Expenditures/FTE</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Transit & HOV	12,182,484	14,427,871	4,585,902	1,599,887
Full-time Equivalents Total	22.50	6.00	6.00	6.00

# Seattle Department of Transportation

## **Mobility-Operations Budget Control Level**

The purpose of the Mobility-Operations Budget Control level is to promote the safe and efficient operation of all transportation modes in the city. This includes managing the parking, pedestrian, and bicycle infrastructure; implementing neighborhood plans; encouraging alternative modes of transportation; and maintaining and improving signals and the non-electrical transportation management infrastructure.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Commuter Mobility	9,994,185	12,189,550	11,305,570	11,510,943
Neighborhoods	1,347,162	1,848,516	2,574,179	2,661,061
Parking	7,378,255	8,551,055	8,414,048	8,716,699
Signs & Markings	3,162,202	3,827,600	4,787,672	4,912,640
Traffic Signals	7,628,126	8,722,841	8,586,254	8,655,502
<b>Total</b>	<b>29,509,929</b>	<b>35,139,562</b>	<b>35,667,724</b>	<b>36,456,846</b>
Full-time Equivalents Total*	121.50	140.25	142.75	142.75

\* 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 Control Level:**

### **Commuter Mobility Program**

The purpose of the Commuter Mobility Program is to provide a variety of services, including enforcement of City commercial vehicle limits, transit coordination, and planning, to increase mobility and transportation options to the residents of Seattle.

<b>Expenditures/FTE</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Commuter Mobility	9,994,185	12,189,550	11,305,570	11,510,943
Full-time Equivalents Total	29.50	44.00	45.50	45.50

### **Neighborhoods Program**

The purpose of the Neighborhoods Program is to plan and forecast the needs of specific neighborhoods including neighborhood and corridor planning, development of the coordinated transportation plans, traffic control spot improvements and travel forecasting. The program also constructs minor improvements in neighborhoods based on these assessments.

<b>Expenditures/FTE</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Neighborhoods	1,347,162	1,848,516	2,574,179	2,661,061
Full-time Equivalents Total	9.75	11.50	12.50	12.50

### **Parking Program**

The purpose of the Parking Program is to manage the City's parking resources, maintain and operate pay stations and parking meters for on-street parking, and develop and manage the City's carpool program and Residential Parking Zones for neighborhoods.

<b>Expenditures/FTE</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Parking	7,378,255	8,551,055	8,414,048	8,716,699
Full-time Equivalents Total	7.50	33.25	33.25	33.25

# Seattle Department of Transportation

## Signs & Markings Program

The purpose of the Signs & Markings Program is to design, fabricate and install signage, as well as provide pavement, curb and crosswalk markings to facilitate the safe movement of vehicles, pedestrians and bicyclists throughout the city.

<b>Expenditures/FTE</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Signs & Markings	3,162,202	3,827,600	4,787,672	4,912,640
Full-time Equivalents Total	5.75	18.75	18.75	18.75

## Traffic Signals Program

The purpose of the Traffic Signals Program is to operate the Traffic Management Center that monitors traffic movement within the city and to maintain and improve signals and other electrical transportation management infrastructure.

<b>Expenditures/FTE</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Traffic Signals	7,628,126	8,722,841	8,586,254	8,655,502
Full-time Equivalents Total	69.00	32.75	32.75	32.75

## **ROW Management Budget Control Level**

The purpose of the Right-of-Way (ROW) Management Budget Control Level is to ensure that projects throughout the city meet code specifications 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.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Street Use Permitting & Enforcement	9,256,643	11,524,423	13,733,267	13,623,961
<b>Total</b>	<b>9,256,643</b>	<b>11,524,423</b>	<b>13,733,267</b>	<b>13,623,961</b>
Full-time Equivalents Total*	24.75	66.50	72.50	72.50

*\* 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 Department of Transportation

### **Street Maintenance Budget Control Level**

The purpose of the Street Maintenance Budget Control Level is to maintain the city's roadways and sidewalks. Repair and maintenance of the right-of-way promotes safety, enhances mobility, and protects the environment. Through planned maintenance, cleaning and spot repairs of streets, alleys, pathways and stairways, Street Maintenance improves the quality of life and business climate in the city.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Emergency Response	1,520,935	2,210,050	1,951,627	1,992,517
Operations Support	3,559,363	4,104,354	4,206,905	4,300,872
Pavement Management	214,374	87,193	284,075	295,125
Street Cleaning	4,868,677	4,438,281	5,303,120	5,386,919
Street Repair	11,757,754	11,179,495	11,421,044	11,635,744
<b>Total</b>	<b>21,921,103</b>	<b>22,019,373</b>	<b>23,166,772</b>	<b>23,611,176</b>
Full-time Equivalents Total*	59.00	120.50	113.00	113.00

*\* 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 Street Maintenance Budget Control Level:**

#### **Emergency Response Program**

The purpose of the Emergency Response Program is to respond to safety and mobility issues such as pavement collapses, severe weather, landslides and other emergencies to make the right-of-way safe for moving people and goods. This program proactively addresses landslide hazards to keep the right-of-way open and safe.

<b>Expenditures/FTE</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Emergency Response	1,520,935	2,210,050	1,951,627	1,992,517
Full-time Equivalents Total	21.50	2.25	2.25	2.25

#### **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>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Operations Support	3,559,363	4,104,354	4,206,905	4,300,872
Full-time Equivalents Total	2.00	34.25	33.75	33.75

## Seattle Department of Transportation

### Pavement Management Program

The purpose of the Pavement Management Program is to assess the condition of asphalt and concrete pavements and establish citywide paving priorities for annual resurfacing and repair programs.

<b>Expenditures/FTE</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Pavement Management	214,374	87,193	284,075	295,125
Full-time Equivalents Total	18.50	0.75	0.75	0.75

### Street Cleaning Program

The purpose of the Street Cleaning Program is to keep Seattle's streets, improved alleys, stairways and pathways clean, safe and environmentally friendly by conducting sweeping, hand-cleaning, flushing and mowing on a regular schedule.

<b>Expenditures/FTE</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Street Cleaning	4,868,677	4,438,281	5,303,120	5,386,919
Full-time Equivalents Total	6.50	21.25	21.25	21.25

### Street Repair Program

The purpose of the Street Repair Program is to preserve and maintain all streets and adjacent areas such as sidewalks and road shoulders by making spot repairs and conducting annual major maintenance paving and rehabilitation programs.

<b>Expenditures/FTE</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Street Repair	11,757,754	11,179,495	11,421,044	11,635,744
Full-time Equivalents Total	10.50	62.00	55.00	55.00

# Seattle Department of Transportation

## Urban Forestry Budget Control Level

The purpose of the Urban Forestry Budget Control Level is to administer, maintain, protect and expand the city's urban landscape in the street right-of-way through the maintenance and planting of new trees and landscaping to enhance the environment and aesthetics of the city. The Urban Forestry BCL maintains City-owned trees to improve the safety of the right-of-way for Seattle's residents and visitors.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Arborist Services	1,270,829	970,067	1,028,688	1,061,302
Tree & Landscape Maintenance	2,640,354	3,432,561	3,582,080	3,695,904
<b>Total</b>	<b>3,911,183</b>	<b>4,402,628</b>	<b>4,610,768</b>	<b>4,757,206</b>
Full-time Equivalents Total*	25.75	31.25	31.25	31.25

\* 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 Urban Forestry Budget Control Level:**

### **Arborist Services Program**

The purpose of the Arborist Services Program is to maintain, protect and preserve city street trees and to regulate privately-owned trees in the right-of-way by developing plans, policies and procedures to govern and improve the care and quality of street trees.

<b>Expenditures/FTE</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Arborist Services	1,270,829	970,067	1,028,688	1,061,302
Full-time Equivalents Total	18.50	8.75	8.75	8.75

### **Tree & Landscape Maintenance Program**

The purpose of the Tree & Landscape Maintenance Program is to provide planning, design, construction and construction inspection services for the landscape elements of transportation capital projects, as well as guidance to developers on the preservation of city street trees and landscaped sites during construction of their projects.

<b>Expenditures/FTE</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Tree & Landscape Maintenance	2,640,354	3,432,561	3,582,080	3,695,904
Full-time Equivalents Total	7.25	22.50	22.50	22.50

## Seattle Department of Transportation

### Transportation Fund Table

#### Transportation Operating Fund (10310)

	2011 Actuals	2012 Adopted	2012 Revised	2013 Proposed	2014 Proposed
<b>Beginning Fund Balance</b>	<b>33,207,789</b>	<b>36,324,539</b>	<b>61,182,879</b>	<b>44,464,872</b>	<b>53,202,843</b>
Accounting and Technical Adjustments	-660,632	0	0	0	0
Plus: Actual and Estimated Revenues	294,121,077	295,499,942	294,886,056	326,625,615	378,285,034
Less: Actual and Budgeted Expenditures	265,485,356	310,651,000	311,604,063	317,887,645	385,297,119
<b>Ending Fund Balance</b>	<b>61,182,879</b>	<b>21,173,481</b>	<b>44,464,872</b>	<b>53,202,843</b>	<b>46,190,758</b>
Continuing Appropriations	41,501,931	23,000,000	41,501,931	41,501,931	41,501,931
Rubble Yard Reserve	16,800,000	2,057,420	2,000,000	0	0
<b>Total Reserves</b>	<b>58,301,931</b>	<b>25,057,420</b>	<b>43,501,931</b>	<b>41,501,931</b>	<b>41,501,931</b>
<b>Ending Unreserved Fund Balance</b>	<b>2,880,948</b>	<b>-3,883,939</b>	<b>962,941</b>	<b>11,700,912</b>	<b>4,688,827</b>

# Seattle Department of Transportation

## Capital Improvement Program Highlights

The Seattle Department of Transportation (SDOT) is responsible for maintaining, upgrading, and monitoring the use of the City's system of streets, bridges, retaining walls, seawalls, bicycle and pedestrian facilities, and traffic control devices. SDOT's Capital Improvement Program (CIP) outlines the Department's plan for repairing, improving, and adding to this extensive infrastructure. The CIP is financed from a variety of revenue sources that include the City's General Fund and Cumulative Reserve Subfund, state and federal grants, partnerships with private organizations and other public agencies, and bond proceeds.

The 2013-2018 Proposed CIP includes key infrastructure work such as support for the Alaskan Way Viaduct and Seawall Replacement Program, implementation of the Pedestrian and Bike Master Plans, implementation of the Transit Master Plan which was completed in early 2012, enhanced paving and street repair of the City's arterial and non-arterial streets, and Sound Transit's funding of the new First Hill Streetcar line.

The below information is somewhat technical in nature. However, more detailed information on SDOT's full capital program can be found in the 2013-2018 Proposed CIP.

Most capital appropriations for SDOT are included within the Budget Control Level (BCL) appropriations displayed at the start of this chapter. These appropriations are funded by a variety of revenue sources, most of which do not require separate authority to be transferred to the Transportation Operating Fund (TOF). Revenue sources which do require separate authority to transfer to the TOF include the Cumulative Reserve Subfund (CRS) and Limited Tax General Obligation Bond (LTGO) proceeds.

Table 1 provides an informational display of transfers of LTGO bond proceeds to the TOF and the projects to which these proceeds will be allocated. Authority to transfer these funds to the TOF is provided by the various LTGO bond ordinances or other legislation.

CRS appropriations authorized for specific programs are listed in the CRS section of the Proposed Budget. (See the informational Table 2, "2013 and 2014 Proposed SDOT Cumulative Reserve Subfund Program Detail" for a list of the specific CRS-funded projects by program.) The CRS Debt Service Program requires a separate appropriation outside of SDOT BCLs. Funding for REET debt is not included within the SDOT BCLs, and is appropriated in the CRS section of the budget. CRS-Unrestricted funds, backed by a transfer for the King County Proposition 2 Trail and Open Space Levy, are included in SDOT's budget and are also appropriated in the CRS section of the Proposed Budget.

Table 3, entitled "Capital Improvement Budget Control Level Outlay," shows the portion of the various SDOT appropriations that represent the Department's CIP outlays. Consistent with RCW 35.32A.080, if any portion of these outlays remains unexpended or unencumbered at the close of the fiscal year, that portion shall be held available for the following year, except if abandoned by the City Council by ordinance. A detailed list of all programs and projects in SDOT's CIP can be found in the 2013-2018 Proposed Capital Improvement Program document.

Table 4, entitled "Central Waterfront Improvement Fund Appropriation," is an informational display of funds appropriated from the Central Waterfront Improvement Fund to the Transportation Operating Fund for support of the Alaskan Way Viaduct and Seawall Replacement Program (AWVSRP). These funds are appropriated in the Central Waterfront Improvement Fund section of the Proposed Budget. The funding supports costs associated with the design and construction of the Central Waterfront component of the AWVSRP, costs for city administration, and costs eligible for financing by a future Local Improvement District (LID).

# Seattle Department of Transportation

**Table 1: Bond Transfers to the Transportation Operating Fund – Information Only**

	<b>2013 Proposed</b>	<b>2014 Proposed</b>
<b>Bridge Rehabilitation and Replacement: TC366850</b>		
2014 Multipurpose LTGO Bond	0	1,235,577
<b>Bridge Seismic Retrofit Phase II: TC365810</b>		
2013 Multipurpose LTGO Bond	6,928,043	0
2014 Multipurpose LTGO Bond	0	2,518,199
<b>Elliott Bay Seawall Project: TC367320</b>		
2013 Multipurpose LTGO Bond	6,200,000	0
Seawall Levy UTGO Bond	40,700,000	75,000,000
<b>Linden Avenue N Complete Streets: TC366930</b>		
2014 Multipurpose LTGO Bond	0	1,250,000
<b>Mercer Corridor Project West Phase: TC367110</b>		
2013 Multipurpose LTGO Bond	11,173,000	
<b>South Park Bridge: TC365780</b>		
2013 Multipurpose LTGO Bond	10,000,000	0
2014 Multipurpose LTGO Bond	0	5,000,000
<b>Waterfront Improvement Program: TC367330</b>		
2014 Multipurpose LTGO Bond	0	5,000,000
Seawall Levy UTGO Bond	3,000,000	3,000,000
<b>Total Bond Proceeds</b>	<b>78,001,043</b>	<b>93,003,776</b>

## Seattle Department of Transportation

**Table 2: 2013-2014 Proposed SDOT Cumulative Reserve Subfund Program Detail Information Only (\$1,000s)**

Program/Project	Project ID	Sub-Account	2013 Proposed	2014 Proposed
<b>Bridges &amp; Structures (19001A)</b>			<b>2,673</b>	<b>2,674</b>
Bridge Painting Program	TC324900	REET II	2,135	2,135
Hazard Mitigation Program - Areaways	TC365480	REET II	326	327
Retaining Wall Repair and Restoration	TC365890	REET II	212	212
<b>Debt Service (18002D) - CRS-U</b>			<b>1,026</b>	<b>505</b>
Trails - Debt Service	TG356590	CRS-U	1,026	505
<b>Debt Service (18002D) - REET II</b>			<b>1,362</b>	<b>1,362</b>
Alaskan Way Viaduct & Seawall - Debt Svc	TC320060	REET II	1,252	1,252
Fremont Bridge Approaches - Debt Svc	TC320060	REET II	110	110
<b>Freight Mobility (19003B)</b>			<b>0</b>	<b>235</b>
Freight Spot Improvement Program	TC365850	REET II	0	235
<b>Landslide Mitigation (19001B)</b>			<b>200</b>	<b>200</b>
Hazard Mitigation Program - Landslides	TC365510	REET II	200	200
<b>Neighborhood Enhancements (19003D)</b>			<b>752</b>	<b>0</b>
NSF/CRS Neighborhood Program	TC365770	REET II	752	0
<b>Roads (19001C)</b>			<b>4,190</b>	<b>4,190</b>
Arterial Major Maintenance	TC365940	REET II	3,040	3,040
Non-Arterial Asphalt Street Resurfacing	TC323920	REET II	650	650
Non-Arterial Concrete Rehabilitation	TC323160	REET II	500	500
<b>Sidewalks &amp; Pedestrian Facilities (19003F)</b>			<b>885</b>	<b>85</b>
Pedestrian Master Plan - School Safety	TC367170	REET II	836	36
Pedestrian Master Plan Implementation	TC367150	REET II	49	49
<b>Transit &amp; HOV (19003G)</b>			<b>1,500</b>	<b>0</b>
3rd Avenue Corridor Improvements	TC367370	REET II	1,000	0
Ballard-Downtown High Capacity Transit	TC367390	REET II	500	0
<b>Total CRS Funding to Transportation</b>			<b>12,588</b>	<b>9,251</b>

# Seattle Department of Transportation

**Table 3: Capital Improvement Budget Control Level Outlay**

<b>Budget Control Level</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Major Maintenance/Replacement	\$48,289,000	\$48,914,000
Major Projects	\$129,602,000	\$195,969,000
Mobility Capital	\$20,920,000	\$19,232,000
<b>Total Capital Improvement Program Outlay</b>	<b>\$198,793,000</b>	<b>\$264,115,000</b>

**Table 4: Central Waterfront Improvement Fund Appropriation (Information Only)**

The purpose of the Central Waterfront Improvement Fund Support to Transportation Budget Control Level is to appropriate funds from the Central Waterfront Improvement Fund to the Transportation Operating Fund for support of the Alaskan Way Viaduct and Seawall Replacement project.

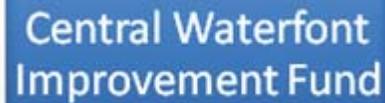
<b>Expenditures</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Central Waterfront Improvement Fund Support to Transportation BCL	\$9,500,000	0

# Central Waterfront Improvement

Peter Hahn, Director

Information Line: (206) 684-7623

On the Web at: <http://www.seattle.gov/transportation/>



Central Waterfront  
Improvement Fund

## Central Waterfront Improvement Fund Overview

The Central Waterfront Improvement Fund supports certain costs associated with the design and construction of the Central Waterfront component of the Alaskan Way Viaduct and Seawall Replacement Program, related costs for City administration, and costs eligible for financing by a future Local Improvement District (LID). Appropriations are made from the Fund to the Transportation Operating Fund for these purposes.

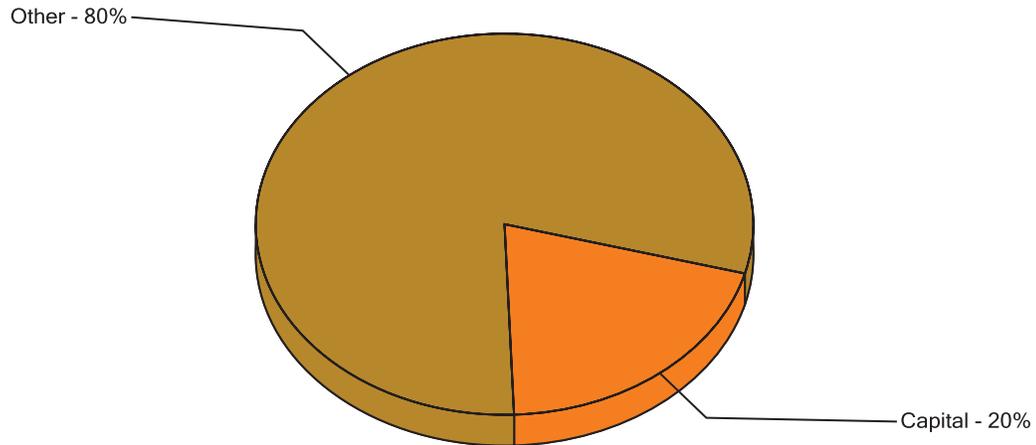
## Budget Snapshot

Department Support	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Other Funding - Operating	\$0	\$2,000,000	\$9,890,000	\$595,000
<b>Total Operations</b>	<b>\$0</b>	<b>\$2,000,000</b>	<b>\$9,890,000</b>	<b>\$595,000</b>
<b>Total Appropriations</b>	<b>\$0</b>	<b>\$2,000,000</b>	<b>\$9,890,000</b>	<b>\$595,000</b>
Full-time Equivalent Total*	0.00	0.00	0.00	0.00

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

## Central Waterfront Improvement Levy

### 2013 Proposed Budget - Expenditure by Category



### Budget Overview

In 2013 and 2014, the Central Waterfront Improvement Fund continues to reflect the implementation of an interfund loan to support costs for the Central Waterfront component of the Alaskan Way Viaduct and Seawall Replacement Program prior to the receipt of anticipated revenue. The interfund loan is increased via proposed budget legislation from \$2.4 million to \$13.7 million to support a total of \$11.5 million of capital and \$2.2 million of future interest costs, and funding is appropriated for 2013 and 2014. The loan is anticipated to be repaid with funds from a future Local Improvement District (LID), if formed, and is to be repaid no later than December 31, 2016. It is anticipated that the loan will be amended in future years to support additional costs incurred prior to the formation of the LID.

## Central Waterfront Improvement Levy

### Incremental Budget Changes

#### Central Waterfront Improvement

	2013 Budget	FTE	2014 Budget	FTE
<b>Total 2012 Adopted Budget</b>	<b>\$ 2,000,000</b>	<b>0.00</b>	<b>\$ 2,000,000</b>	<b>0.00</b>
<b>Proposed Policy Changes</b>				
2013 Interfund Loan Amendment	\$ 9,890,000	0.00	\$ 595,000	0.00
<b>Proposed Technical Changes</b>				
Fund Baseline Rebalancing	-\$ 2,000,000	0.00	-\$ 2,000,000	0.00
<b>Total Incremental Changes</b>	<b>\$ 7,890,000</b>	<b>0.00</b>	<b>-\$ 1,405,000</b>	<b>0.00</b>
<b>2013 - 2014 Proposed Budget</b>	<b>\$ 9,890,000</b>	<b>0.00</b>	<b>\$ 595,000</b>	<b>0.00</b>

### Description of Incremental Budget Changes

#### Proposed Policy Changes

##### **2013 Interfund Loan Amendment - \$9,890,000**

The interfund loan for the Central Waterfront Improvement Fund (CWF) is amended to support \$9.5 million in capital costs in 2013 related to the Waterfront Improvement Program. These funds are appropriated from the CWF to the Seattle Department of Transportation (SDOT), and included in SDOT's 2013-2018 Proposed CIP. In addition, to facilitate accounting for the loan, a new BCL is created and appropriations are proposed for interest expense of \$390,000 in 2013 and \$595,000 in 2014.

#### Proposed Technical Changes

##### **Fund Baseline Rebalancing - (\$2,000,000)**

The baseline budget is reduced to remove the one-time \$2 million appropriation in the 2012 Adopted Budget. The one-time appropriation was for 2012 capital costs related to the Waterfront Improvement Program. Costs in 2013 will be covered through the proposed 2013 appropriation.

## Central Waterfront Improvement Levy

### Expenditure Overview

Appropriations	Summit Code	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Central Waterfront Improvement Fund Interest Expense Budget Control Level	CWIF-INT	0	0	390,000	595,000
Central Waterfront Improvement Fund Support to Transportation Budget Control Level	CWIF-CAP	0	2,000,000	9,500,000	0
<b>Department Total</b>		<b>0</b>	<b>2,000,000</b>	<b>9,890,000</b>	<b>595,000</b>
<b>Department Full-time Equivalent Total*</b>		<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

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

### Revenue Overview

#### 2013 Estimated Revenues

Summit Code	Source	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
379100	Use of Fund Balance	0	2,000,000	9,890,000	595,000
	<b>Total Use of (Contribution To) Fund Balance</b>	<b>0</b>	<b>2,000,000</b>	<b>9,890,000</b>	<b>595,000</b>
<b>Total Resources</b>		<b>0</b>	<b>2,000,000</b>	<b>9,890,000</b>	<b>595,000</b>

## Central Waterfront Improvement Levy

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

#### Central Waterfront Improvement Fund Interest Expense Budget Control Level

The purpose of the Central Waterfront Improvement Fund Interest Expense BCL is to appropriate interest expense allocated to the Fund.

Program Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Central Waterfront Improvement Fund Interest Expense	0	0	390,000	595,000
<b>Total</b>	<b>0</b>	<b>0</b>	<b>390,000</b>	<b>595,000</b>

#### Central Waterfront Improvement Fund Support to Transportation Budget Control Level

The purpose of the Central Waterfront Improvement Fund Support to Transportation Budget Control Level Budget Control Level is to appropriate funds from the Central Waterfront Improvement Fund to the Transportation Operating Fund for support of the Alaskan Way Viaduct & Seawall Replacement project.

Program Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Central Waterfront Improvement Fund Support to Transportation Budget Control Level	0	2,000,000	9,500,000	0
<b>Total</b>	<b>0</b>	<b>2,000,000</b>	<b>9,500,000</b>	<b>0</b>

### Central Waterfront Improvement Fund Table

#### Central Waterfront Improvement Fund

	2011 Actuals	2012 Adopted	2012 Revised	2013 Proposed	2014 Proposed
<b>Beginning Fund Balance</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-2,000,000</b>	<b>-11,890,000</b>
Accounting and Technical Adjustments	0	0	0	0	0
Less: Actual and Budgeted Expenditures	0	2,000,000	2,000,000	9,890,000	595,000
<b>Ending Fund Balance</b>	<b>0</b>	<b>-2,000,000</b>	<b>-2,000,000</b>	<b>-11,890,000</b>	<b>-12,485,000</b>
Interest Reserve		50,000	50,000	0	0
<b>Total Reserves</b>		<b>50,000</b>	<b>50,000</b>	<b>0</b>	<b>0</b>
<b>Ending Unreserved Fund Balance</b>	<b>0</b>	<b>-2,050,000</b>	<b>-2,050,000</b>	<b>-11,890,000</b>	<b>-12,485,000</b>



# **Administration**



# Cable Television Franchise Subfund

## CableTelevision Franchise Subfund

### Department Overview

The City of Seattle entered into cable franchise agreements beginning in 1996 that included a new franchise fee as compensation for cable television providers locating in the public right-of-way. A new franchise with Comcast was approved in 2006, and a second franchise, currently operated by Wave Division I, was approved in 2007. The Cable Television Franchise Subfund (created by Ordinance 118196) shows the anticipated revenues from the franchise fee and related expenditures in the Department of Information Technology (DoIT). Resolution 30379 establishes usage policies for the fund. The fund pays for the administration of the Cable Customer Bill of Rights and the Public, Education, and Government access costs the City is obligated to fund under the terms of its cable franchise agreements; support of the Seattle Channel, including both operations and capital equipment; programs and projects promoting citizen technology literacy and access, including related research, analysis, and evaluation; and use of innovative and interactive technology, including television and the Web, to provide means for citizens to access City services.

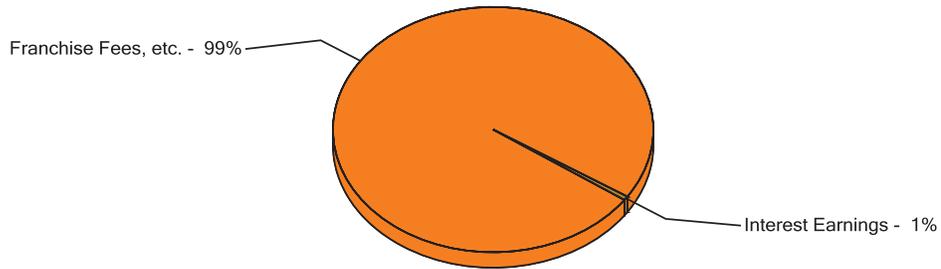
### Budget Snapshot

Department Support	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Other Funding - Operating	\$7,733,220	\$8,180,663	\$8,541,894	\$8,764,198
<b>Total Operations</b>	<b>\$7,733,220</b>	<b>\$8,180,663</b>	<b>\$8,541,894</b>	<b>\$8,764,198</b>
<b>Total Appropriations</b>	<b>\$7,733,220</b>	<b>\$8,180,663</b>	<b>\$8,541,894</b>	<b>\$8,764,198</b>
Full-time Equivalent Total*	0.00	0.00	0.00	0.00

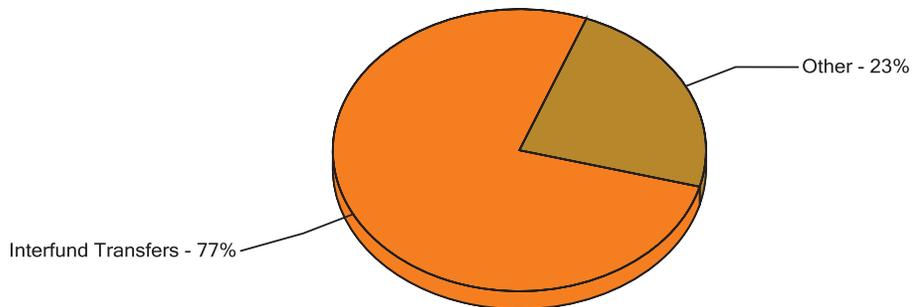
\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Personnel Director actions outside of the budget process may not be detailed here.

## Cable Television Franchise Subfund

### 2013 Proposed Budget - Revenue by Category



### 2013 Proposed Budget - Expenditure by Category



## Cable Television Franchise Subfund

### Budget Overview

Cable Television Franchise Fund (Cable Fund) revenues are generated by franchise fees from cable television providers and these funds support limited activities provided by DoIT. Over the last several years, the Department has used Cable Fund revenues to support additional, qualified technology access programs such as the portion of email support previously funded by the General Fund. The 2013 and 2014 Proposed Budget continues previous uses of the Cable Fund for project management for the web team, web application support service to City departments, and administrative support for community outreach.

The Cable Fund recently received a small increase in revenues as Comcast raised its rates on home television service. In 2012, the Cable Fund also received revenue from outstanding cable franchise fees found during DoIT's auditing process. These increased revenues were one-time occurrences. The fund is only projected to grow minimally in the near future. The Department expects that the fund will begin to see expenditure pressures as it is called upon to fund major technology overhauls and, by 2016 DoIT may have to propose cuts to existing programming paid for by the Cable Fund in order to keep the fund in balance.

For further details regarding the use of Cable Television Franchise Subfund, please refer to the DoIT budget.

### Incremental Budget Changes

#### Cable Television Franchise Subfund

	2013 Budget	FTE	2014 Budget	FTE
<b>Total 2012 Adopted Budget</b>	<b>\$ 8,180,663</b>	<b>0.00</b>	<b>\$ 8,180,663</b>	<b>0.00</b>
<b>Baseline Changes</b>				
Align with Information Technology Fund	\$ 361,231	0.00	\$ 583,535	0.00
<b>Total Incremental Changes</b>	<b>\$ 361,231</b>	<b>0.00</b>	<b>\$ 583,535</b>	<b>0.00</b>
<b>2013 - 2014 Proposed Budget</b>	<b>\$ 8,541,894</b>	<b>0.00</b>	<b>\$ 8,764,198</b>	<b>0.00</b>

### Description of Incremental Budget Changes

#### Baseline Changes

##### **Align with Information Technology Fund - \$361,231**

These technical adjustments in the 2013 and 2014 Proposed Budget for the Cable Fund include changes that are part of the DoIT budget changes. Please refer to the DoIT budget pages for more detailed information.

## Cable Television Franchise Subfund

### Expenditure Overview

Appropriations	Summit Code	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
<b>Cable Fee Support to Information Technology Fund Budget Control</b>					
Cable Communications		716,220	723,260	745,244	766,477
Community Technology		1,295,264	1,317,207	1,238,350	1,272,133
Finance and Administration		290,196	299,689	373,754	386,050
Seattle Channel/Democracy Portal		2,755,440	2,747,014	3,149,911	3,199,017
Technology Infrastructure		1,426,428	1,412,146	1,571,415	1,662,290
Technology Leadership		276,060	264,980	314,158	321,271
Web Site Support		783,612	1,226,366	959,061	966,959
<b>Total</b>	<b>D160B</b>	<b>7,543,220</b>	<b>7,990,663</b>	<b>8,351,894</b>	<b>8,574,198</b>
<b>Cable Fee Support to Library Fund Budget Control Level</b>	<b>D160C</b>	<b>190,000</b>	<b>190,000</b>	<b>190,000</b>	<b>190,000</b>
<b>Department Total</b>		<b>7,733,220</b>	<b>8,180,663</b>	<b>8,541,894</b>	<b>8,764,198</b>
<b>Department Full-time Equivalents Total*</b>		<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

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

### Revenue Overview

#### 2013 Estimated Revenues

Summit Code	Source	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
421911	Franchise Fee Revenues, Licenses, Permits, and Fines	7,389,522	7,431,544	7,629,796	7,761,791
	<b>Total Franchise Fees, etc.</b>	<b>7,389,522</b>	<b>7,431,544</b>	<b>7,629,796</b>	<b>7,761,791</b>
461110	Arts Programming Interest Earnings	5,527	19,620	9,608	4,765
461110	Interest Earnings	32,725	26,554	30,614	26,286
	<b>Total Interest Earnings</b>	<b>38,252</b>	<b>46,174</b>	<b>40,222</b>	<b>31,051</b>
<b>Total Revenues</b>		<b>7,427,774</b>	<b>7,477,718</b>	<b>7,670,018</b>	<b>7,792,842</b>
379100	Use of (Contributions to) Fund Balance	305,446	702,944	871,878	971,356
	<b>Total Use of (Contributions to) Fund Balance</b>	<b>305,446</b>	<b>702,944</b>	<b>871,878</b>	<b>971,356</b>
<b>Total Resources</b>		<b>7,733,220</b>	<b>8,180,662</b>	<b>8,541,896</b>	<b>8,764,198</b>

## Cable Television Franchise Subfund

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

#### **Cable Fee Support to Information Technology Fund Budget Control Level**

The purpose of the Cable Fee Support to Information Technology Fund Budget Control Level is to authorize the transfer of resources from the Cable Television Franchise Subfund to the Department of Information Technology's Information Technology Fund. These resources are used by the Department for a variety of programs consistent with Resolution 30379.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Cable Communications	716,220	723,260	745,244	766,477
Community Technology	1,295,264	1,317,207	1,238,350	1,272,133
Finance and Administration	290,196	299,689	373,754	386,050
Seattle Channel/Democracy Portal	2,755,440	2,747,014	3,149,911	3,199,017
Technology Infrastructure	1,426,428	1,412,146	1,571,415	1,662,290
Technology Leadership	276,060	264,980	314,158	321,271
Web Site Support	783,612	1,226,366	959,061	966,959
<b>Total</b>	<b>7,543,220</b>	<b>7,990,663</b>	<b>8,351,894</b>	<b>8,574,198</b>

#### **Cable Fee Support to Library Fund Budget Control Level**

The purpose of the Cable Fee Support to Library Fund Budget Control Level is to authorize the transfer of resources from the Cable Television Franchise Subfund to the Seattle Public Library's Operating Fund. The Library uses these resources to pay for and maintain computers available to the public.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Citizen Literacy/Access	190,000	190,000	190,000	190,000
<b>Total</b>	<b>190,000</b>	<b>190,000</b>	<b>190,000</b>	<b>190,000</b>

## Cable Television Franchise Subfund

### Cable TV Fund Table

#### Cable Television Franchise Subfund (00160)

	2011 Actuals	2012 Adopted	2012 Revised	2013 Proposed	2014 Proposed
<b>Beginning Fund Balance</b>	<b>5,073,264</b>	<b>4,697,061</b>	<b>4,760,194</b>	<b>4,481,046</b>	<b>3,609,170</b>
Accounting and Technical Adjustments	-7,624	0	0	0	0
Plus: Actual and Estimated Revenues	7,427,774	7,477,718	7,901,516	7,670,018	7,792,842
Less: Actual and Budgeted Expenditures	7,733,220	8,180,663	8,180,663	8,541,894	8,764,198
<b>Ending Fund Balance</b>	<b>4,760,194</b>	<b>3,994,116</b>	<b>4,481,046</b>	<b>3,609,170</b>	<b>2,637,814</b>
Designation for Cable Programs	2,287,144	1,613,605	1,582,696	873,453	234,368
Reserves Against Fund Balance	1,759,983	1,827,099	1,827,098	1,881,284	1,914,630
<b>Total Reserves</b>	<b>4,047,127</b>	<b>3,440,704</b>	<b>3,409,794</b>	<b>2,754,737</b>	<b>2,148,998</b>
<b>Ending Unreserved Fund Balance</b>	<b>713,067</b>	<b>553,412</b>	<b>1,071,252</b>	<b>854,433</b>	<b>488,816</b>

# Office of City Auditor

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David G. Jones, City Auditor

Department Information Line: (206) 233-3801

On the Web at: <http://www.seattle.gov/audit/>



## Department Overview

The Office of City Auditor is Seattle's independent audit function that was established by the City Charter. The City Auditor is appointed by a majority of 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 Mayor, the City Council, and City executive and management staff with accurate information, unbiased analyses, and objective recommendations on how best to use public resources in support of Seattle's citizens.

The Office of City Auditor conducts audits of City programs, departments, grantees, and contracts. Most of the Office's audits are performed in response to specific concerns or requests from City Councilmembers. The City Auditor also independently initiates audits to fulfill the Office's mission. If resources are available, the City Auditor responds to requests from the Mayor, City departments, and citizens.

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 data 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?

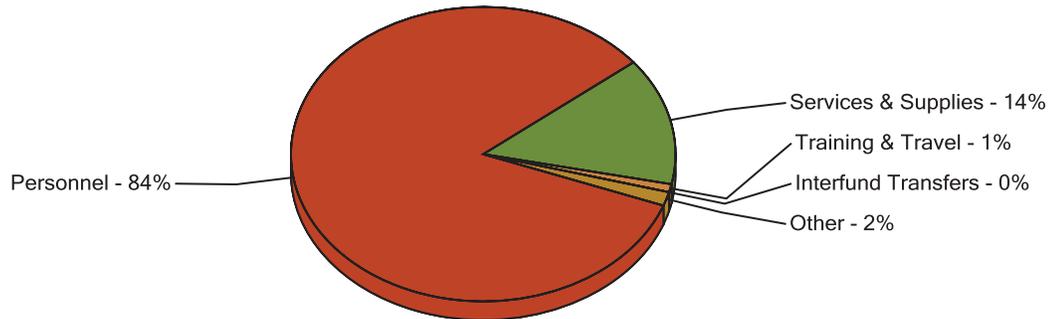
## Office of the City Auditor

### Budget Snapshot

Department Support	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
General Fund Support	\$905,019	\$1,250,544	\$1,509,751	\$1,355,818
<b>Total Operations</b>	<b>\$905,019</b>	<b>\$1,250,544</b>	<b>\$1,509,751</b>	<b>\$1,355,818</b>
<b>Total Appropriations</b>	<b>\$905,019</b>	<b>\$1,250,544</b>	<b>\$1,509,751</b>	<b>\$1,355,818</b>
Full-time Equivalent Total*	8.00	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.

### 2013 Proposed Budget - Expenditure by Category



# Office of the City Auditor

## Budget Overview

The Office of City Auditor provides information to the public, Mayor, City Council, and City executive and management staff on City programs and activities.

The Office offers a way for City leaders to assess various public programs objectively to ensure the most efficient and effective service delivery options are being employed. It also offers the public a way to hold the City accountable for how public resources are used. The Office would need to reduce staff to achieve budget savings in 2013 and 2014, and the value of the services it provides outweighs the relatively small budget savings gained by such a reduction. Therefore, the 2013-14 Proposed Budget does not reduce the City Auditor's budget.

The Office of City Auditor will also initiate the second phase of a two part evaluation of the implementation of the City's Sick and Safe Leave ordinance, which took effect on September 1, 2012, and mandated that certain employers in Seattle offer their employees paid sick and safe leave. This work will be completed and presented to the City Council by March 2014.

## Incremental Budget Changes

### Office of City Auditor

	2013		2014	
	Budget	FTE	Budget	FTE
<b>Total 2012 Adopted Budget</b>	<b>\$ 1,250,544</b>	<b>9.00</b>	<b>\$ 1,250,544</b>	<b>9.00</b>
<b>Baseline Changes</b>				
Citywide Adjustments for Standard Cost Changes	\$ 54,983	0.00	\$ 97,698	0.00
<b>Proposed Policy Changes</b>				
Evaluation of Sick and Safe Leave Ordinance	\$ 198,000	0.00	\$ 0	0.00
<b>Proposed Technical Changes</b>				
Final Citywide Adjustments for Standard Cost Changes	\$ 6,224	0.00	\$ 7,576	0.00
<b>Total Incremental Changes</b>	<b>\$ 259,207</b>	<b>0.00</b>	<b>\$ 105,274</b>	<b>0.00</b>
<b>2013 - 2014 Proposed Budget</b>	<b>\$ 1,509,751</b>	<b>9.00</b>	<b>\$ 1,355,818</b>	<b>9.00</b>

# Office of the City Auditor

## Description of Incremental Budget Changes

### Baseline Changes

#### **Citywide Adjustments for Standard Cost Changes - \$54,983**

Citywide technical adjustments made in the "Baseline Phase" reflect changes due to inflation, central cost allocations, retirement, health care, workers' compensation, and employment costs. These adjustments reflect initial assumptions about these costs and inflators early in the budget process.

### Proposed Policy Changes

#### **Evaluation of Sick and Safe Leave Ordinance - \$198,000**

This proposal will fund Phase 2 of the Office of City Auditor's evaluation of the City's Sick and Safe Leave regulations (Seattle Municipal Code 14.16) required by Ordinance 123698. Phase 1 funded a study conducted by the University of Washington to establish baseline conditions. Phase 2 will fund the follow-up comparison to determine the new regulation's impact on employers and employees. This work will be completed and presented to the City Council by March 2014.

### Proposed Technical Changes

#### **Final Citywide Adjustments for Standard Cost Changes - \$6,224**

Citywide technical adjustments made in the "Proposed Phase" reflect changes due to inflation, central cost allocations, retirement, health care, workers' compensation, and unemployment costs. These adjustments typically reflect updates to preliminary cost assumptions established in the "Baseline Phase."

## Expenditure Overview

<b>Appropriations</b>	<b>Summit Code</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Office of City Auditor Budget Control Level	VG000	905,019	1,250,544	1,509,751	1,355,818
<b>Department Total</b>		<b>905,019</b>	<b>1,250,544</b>	<b>1,509,751</b>	<b>1,355,818</b>
<b>Department Full-time Equivalent Total*</b>		<b>8.00</b>	<b>9.00</b>	<b>9.00</b>	<b>9.00</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.*

## Office of the City Auditor

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

#### Office of City Auditor Budget Control Level

The purpose of the Office of City Auditor is to provide unbiased analyses, accurate information, and objective recommendations to assist the City in using public resources equitably, efficiently, and effectively in delivering services to Seattle residents.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Office of City Auditor	905,019	1,250,544	1,509,751	1,355,818
<b>Total</b>	<b>905,019</b>	<b>1,250,544</b>	<b>1,509,751</b>	<b>1,355,818</b>
Full-time Equivalents Total*	8.00	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.*



# City Budget Office

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Beth Goldberg, Director

Department Information Line: (206) 615-1962

On the Web at: <http://www.seattle.gov/budgetoffice/>



## Department Overview

The City Budget Office (CBO) is responsible for developing and monitoring the City's annual budget, carrying out budget-related functions, and overseeing fiscal policy and financial planning activities. CBO provides strategic analysis relating to the use of revenues, debt, long-term issues, and special events. The department also provides technical assistance, training, and support to City departments in performing financial functions.

CBO was created as a department in July 2010, as part of the Mayor's re-structuring of several departments, including the former Department of Finance (DOF). This reorganization, which also created the Department of Finance and Administrative Services, was done to enhance the centralized oversight and monitoring of City finances.

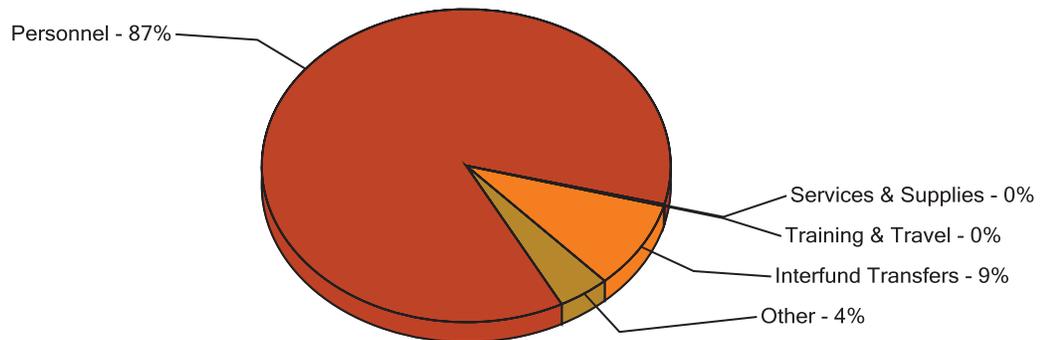
## City Budget Office

### Budget Snapshot

Department Support	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
General Fund Support	\$3,863,718	\$4,030,780	\$4,085,671	\$4,206,264
<b>Total Operations</b>	<b>\$3,863,718</b>	<b>\$4,030,780</b>	<b>\$4,085,671</b>	<b>\$4,206,264</b>
<b>Total Appropriations</b>	<b>\$3,863,718</b>	<b>\$4,030,780</b>	<b>\$4,085,671</b>	<b>\$4,206,264</b>
Full-time Equivalent Total*	28.50	27.50	28.50	28.50

\* 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.

### 2013 Proposed Budget - Expenditure by Category



# City Budget Office

## Budget Overview

The 2013-2014 Proposed Budget for the City Budget Office (CBO) reflects the results of prioritizing functions and services as well as the identification of efficiencies in the provision of those services. CBO is responsible for a variety of core functions, and provision of those core services will be sustained. In particular, a focus on increasing budget transparency and accessibility remains, existing capabilities for fiscal oversight and monitoring are retained, and resources needed to execute the annual budget process and related tasks throughout the year are preserved.

CBO's 2013 budget has primary two changes.

1. The first is a reduction to its budget for professional services and consulting, which will reduce the office's ability to respond to lower priority requests for analysis, although CBO will continue to prioritize work as the situation may require.
2. The second change is a temporary addition of funding to support an assessment of current city practices around internal service provision. This includes an examination of how information technology services, human resource services, finance services, and other citywide internal services are approached. The goal is to identify duplication that can be eliminated and other efficiencies that might be made in order to improve service or reduce total costs for departments. This effort is in line with the Mayor's emphasis on continually re-evaluating how the city does business and identifying areas for improvement and efficiency.

## Incremental Budget Changes

### City Budget Office

	2013		2014	
	Budget	FTE	Budget	FTE
<b>Total 2012 Adopted Budget</b>	<b>\$ 4,030,780</b>	<b>27.50</b>	<b>\$ 4,030,780</b>	<b>27.50</b>
<b>Baseline Changes</b>				
Citywide Adjustments for Standard Cost Changes	\$ 253,511	0.00	\$ 388,294	0.00
<b>Proposed Policy Changes</b>				
Reduction in Consultant and Supply Budgets	-\$ 64,000	0.00	-\$ 66,000	0.00
Review Citywide Internal Service Practices	\$ 150,815	1.00	\$ 150,947	1.00
<b>Proposed Technical Changes</b>				
Final Citywide Adjustments for Standard Cost Changes	-\$ 285,435	0.00	-\$ 297,757	0.00
<b>Total Incremental Changes</b>	<b>\$ 54,891</b>	<b>1.00</b>	<b>\$ 175,484</b>	<b>1.00</b>
<b>2013 - 2014 Proposed Budget</b>	<b>\$ 4,085,671</b>	<b>28.50</b>	<b>\$ 4,206,264</b>	<b>28.50</b>

# City Budget Office

## Description of Incremental Budget Changes

### Baseline Changes

#### **Citywide Adjustments for Standard Cost Changes - \$253,511**

Citywide technical adjustments made in the "Baseline Phase" reflect changes due to inflation, central cost allocations, retirement, health care, workers' compensation, and employment costs. These adjustments reflect initial assumptions about these costs and inflators early in the budget process.

### Proposed Policy Changes

#### **Reduction in Consultant and Supply Budgets - (\$64,000)**

The City Budget Office will reduce its budget for consulting contracts and office supplies. Core functions will not be impacted by these changes, although the ability to respond to lower priority ad hoc analysis will be somewhat reduced.

#### **Review Citywide Internal Service Practices - \$150,815/1.00 FTE**

Funding is provided to staff an examination of the efficiency and effectiveness of the provision of internal services to city departments. As budget pressures persist for the General Fund and other City functions, it is important to examine whether there are opportunities for improvement in the cost and provision of these services. The focus is to identify areas for improvement to address best practices, eliminate redundancy where prudent, improve internal service where feasible, and better align the provision of IT, HR, finance and other internal services with department needs and citywide goals.

## Expenditure Overview

<b>Appropriations</b>	<b>Summit Code</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
City Budget Office Budget Control Level	CZ000	3,863,718	4,030,780	4,085,671	4,206,264
<b>Department Total</b>		<b>3,863,718</b>	<b>4,030,780</b>	<b>4,085,671</b>	<b>4,206,264</b>
<b>Department Full-time Equivalents Total*</b>		<b>28.50</b>	<b>27.50</b>	<b>28.50</b>	<b>28.50</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.*

# City Budget Office

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

### City Budget Office Budget Control Level

The purpose of the City Budget Office Budget Control Level is to develop and monitor the budget, carrying out budget-related functions, oversee financial policies and plans, and provide financial and other strategic analysis.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
City Budget Office	3,863,718	4,030,780	4,085,671	4,206,264
<b>Total</b>	<b>3,863,718</b>	<b>4,030,780</b>	<b>4,085,671</b>	<b>4,206,264</b>
Full-time Equivalents Total*	28.50	27.50	28.50	28.50

*\* 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.*

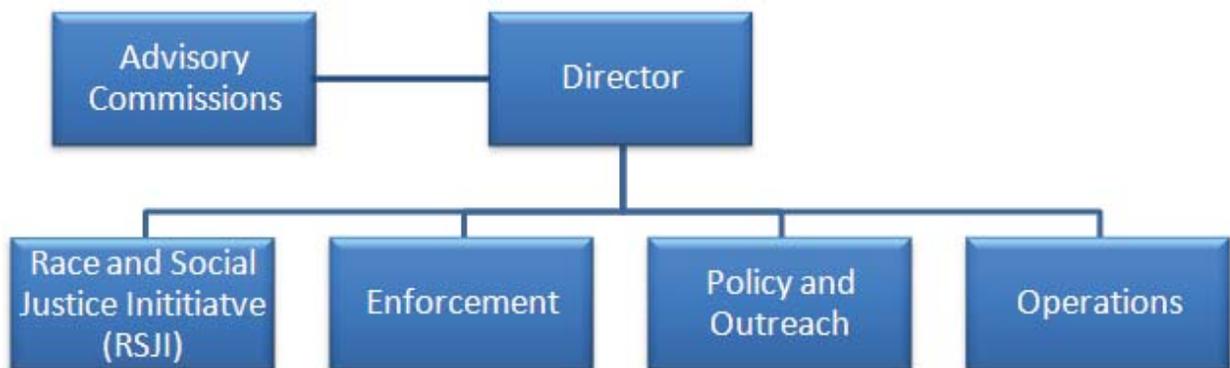


# Seattle Office for Civil Rights

Julie Nelson, Director

Department Information Line: (206) 684-4500

On the Web at: <http://www.seattle.gov/civilrights/>



## Department Overview

The Seattle Office for Civil Rights (SOCR) works to achieve social justice in Seattle and to ensure that everyone in Seattle has equal access to housing, employment, public accommodations, contracting, and lending. SOCR investigates and enforces City, state, and federal anti-discrimination laws, and provides public policy recommendations to the Mayor, the City Council, and other City departments. The Office develops and implements policies and programs promoting justice, fairness, and equity. It also administers the Title VI program of the 1964 Civil Rights Act which relates to physical access to governmental facilities, projects, and programs.

Since 2004, the Office has led the City's Race and Social Justice Initiative (RSJI). The Initiative envisions a city where racial disparities have been eliminated and racial equity achieved. RSJI's mission is to end institutionalized racism in City government and to promote multiculturalism and full participation by all city residents.

The goals are to:

- end racial disparities internal to the City;
- strengthen the way the City engages the community and provides services; and,
- eliminate race-based disparities in our communities.

Beginning September 1, 2012, SOCR is responsible for implementation and enforcement of the City's Paid Sick and Safe Leave Ordinance (Ordinance #123698). SOCR also develops anti-discrimination programs and policies, and enhances awareness through free education and outreach to businesses, community groups, and the general public. The Office works closely with immigrants, people of color, women, lesbian, gay, bisexual, transgender, and queer communities, and people with disabilities and their advocates, to inform them of their rights under the law. The Office publishes a wide array of printed materials, many of which are translated into other languages.

SOCR staffs four volunteer commissions - the Human Rights, Women's, the Lesbian, Gay, Bisexual, and Transgender, and People with Disabilities Commissions - which advise the Mayor and the City Council on relevant issues.

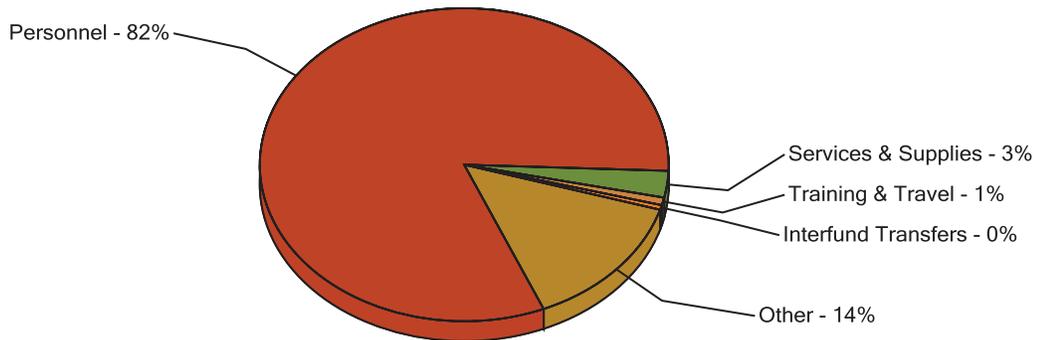
# Seattle Office for Civil Rights

## Budget Snapshot

Department Support	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
General Fund Support	\$2,322,958	\$2,566,277	\$2,614,197	\$2,738,129
<b>Total Operations</b>	<b>\$2,322,958</b>	<b>\$2,566,277</b>	<b>\$2,614,197</b>	<b>\$2,738,129</b>
<b>Total Appropriations</b>	<b>\$2,322,958</b>	<b>\$2,566,277</b>	<b>\$2,614,197</b>	<b>\$2,738,129</b>
Full-time Equivalent Total*	21.50	22.50	22.50	22.50

\* 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.

## 2013 Proposed Budget - Expenditure by Category



# Seattle Office for Civil Rights

## Budget Overview

Through careful financial management and reductions that allow for a reprioritization of resources, the Seattle Office of Civil Rights (SOCR) will make strategic budget reductions. SOCR reviewed all program areas and in doing so, was able to preserve direct services by prioritizing enforcement activities. The 2013-2014 Proposed Budget provides resources for the Race and Social Justice Initiative (RSJI), enforcement and outreach functions, and maintains support to four commissions.

SOCR works in conjunction with the Equal Employment Opportunity Commission (EEOC) and Housing and Urban Development (HUD) to investigate discrimination in housing and employment cases as well as enforce anti-discrimination laws for the City of Seattle. In order to maintain these partnerships, SOCR has monthly case processing related performance measures that must be met for both EEOC and HUD. As department workloads and case processing schedules were reviewed, the Department prioritized functions to ensure that its ability to meet these performance criteria would be preserved.

SOCR will prioritize the Department's work to account for work plan commitments and high case processing periods, while still maintaining federal performance measures for case resolution timeframes. Continued support for RSJI is a priority for the Mayor and the City Council. In addition to working to end institutionalized racism and race-based disparities in City government, the next planned phase of RSJI is focused on eliminating racial inequity in the community.

In developing the 2013-2014 Proposed Budget recommendations, SOCR focused on providing direct services and meeting enforcement performance measures. The 2013-2014 Proposed Budget reduces operating expenses and professional service contracts. SOCR will leverage existing community partnerships to continue to support RSJI community trainings and events despite the proposed reductions.

## Incremental Budget Changes

### Seattle Office for Civil Rights

	2013		2014	
	Budget	FTE	Budget	FTE
<b>Total 2012 Adopted Budget</b>	<b>\$ 2,566,777</b>	<b>22.50</b>	<b>\$ 2,566,777</b>	<b>22.50</b>
<b>Baseline Changes</b>				
Citywide Adjustments for Standard Cost Changes	\$ 101,123	0.00	\$ 184,580	0.00
<b>Proposed Policy Changes</b>				
Reduce Professional Services	-\$ 15,000	0.00	-\$ 15,345	0.00
Reduce Operating Expenses	-\$ 25,000	0.00	-\$ 25,500	0.00
<b>Proposed Technical Changes</b>				
Final Citywide Adjustments for Standard Cost Changes	-\$ 13,703	0.00	\$ 27,617	0.00
<b>Total Incremental Changes</b>	<b>\$ 47,420</b>	<b>0.00</b>	<b>\$ 171,352</b>	<b>0.00</b>
<b>2013 - 2014 Proposed Budget</b>	<b>\$ 2,614,197</b>	<b>22.50</b>	<b>\$ 2,738,129</b>	<b>22.50</b>

# Seattle Office for Civil Rights

## Description of Incremental Budget Changes

### Baseline Changes

#### **Citywide Adjustments for Standard Cost Changes - \$101,123**

Citywide technical adjustments made in the "Baseline Phase" reflect changes due to inflation, central cost allocations, retirement, health care, workers' compensation, and employment costs. These adjustments reflect initial assumptions about these costs and inflators early in the budget process.

### Proposed Policy Changes

#### **Reduce Professional Services - (\$15,000)**

SOCR-sponsored RSJI community trainings and events will continue; however, funding for professional services to support these efforts will be reduced.

#### **Reduce Operating Expenses - (\$25,000)**

Expenditures for advertising, printing, subscriptions and volunteer recognition are reduced and reprioritized. The reductions will not affect the department's ability to meet key RSJI goals in 2013 and 2014.

### Proposed Technical Changes

#### **Final Citywide Adjustments for Standard Cost Changes - (\$13,703)**

Citywide technical adjustments made in the "Proposed Phase" reflect changes due to inflation, central cost allocations, retirement, health care, workers' compensation, and unemployment costs. These adjustments typically reflect updates to preliminary cost assumptions established in the "Baseline Phase."

# Seattle Office for Civil Rights

## Expenditure Overview

Appropriations	Summit Code	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Civil Rights Budget Control Level	X1R00	2,322,958	2,566,277	2,614,197	2,738,129
<b>Department Total</b>		<b>2,322,958</b>	<b>2,566,277</b>	<b>2,614,197</b>	<b>2,738,129</b>
<b>Department Full-time Equivalents Total*</b>		<b>21.50</b>	<b>22.50</b>	<b>22.50</b>	<b>22.50</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.

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

### Civil Rights Budget Control Level

The purpose of the Civil Rights Budget Control Level is to work toward eliminating discrimination in employment, housing, public accommodations, contracting, and lending in Seattle through enforcement, policy and outreach activities. The Office seeks to encourage and promote equal access and opportunity, diverse participation, and social and economic equity. In addition, the Office is responsible for directing the Race & Social Justice Initiative, leading other City departments to design and implement programs which eliminate institutionalized racism.

Program Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Civil Rights	2,322,958	2,566,277	2,614,197	2,738,129
<b>Total</b>	<b>2,322,958</b>	<b>2,566,277</b>	<b>2,614,197</b>	<b>2,738,129</b>
Full-time Equivalents Total*	21.50	22.50	22.50	22.50

\* 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.



# Civil Service Commissions

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Jennifer A. Greenlee, Executive Director

Information Line: (206) 233-7118

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



## Department Overview

The Civil Service Commissions (CIV) is the administrative entity serving both the Civil Service Commission and the Public Safety Civil Service Commission, quasi-judicial bodies charged with providing fair and impartial hearings of alleged violations of the City's personnel rules. Each Commission is governed by a separate three-member board, with one member appointed by the Mayor, one appointed by the City Council, and one elected by and representing employees. The term of each Commissioner is three years.

The **Civil Service Commission (CSC)** provides fair and impartial hearings of alleged violations of the City's personnel rules. Employees may file appeals with the CSC regarding all final disciplinary actions and alleged violations of the Personnel Ordinance, as well as related rules and policies. The CSC may issue orders to remedy violations and may also make recommendations to the Mayor and 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 City Council.

The mission and 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.

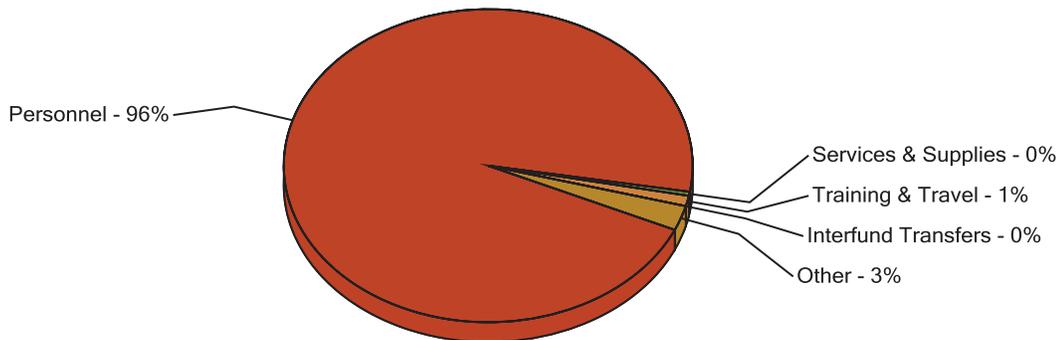
## Civil Service Commissions

### Budget Snapshot

Department Support	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
General Fund Support	\$0	\$344,266	\$373,371	\$385,887
<b>Total Operations</b>	<b>\$0</b>	<b>\$344,266</b>	<b>\$373,371</b>	<b>\$385,887</b>
<b>Total Appropriations</b>	<b>\$0</b>	<b>\$344,266</b>	<b>\$373,371</b>	<b>\$385,887</b>
Full-time Equivalent Total*	0.00	2.60	2.60	2.60

\* 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.

### 2013 Proposed Budget - Expenditure by Category



### Budget Overview

The 2012 Adopted Budget merged into a single unit the administrative support functions for the CSC and PSCSC. This reorganization in no way altered the responsibilities, duties, make-up, or scope of the two Commissions. Rather, it streamlined the administrative support services the Commissions rely on. The 2013 Proposed Budget continues the reorganization of 2012 and makes only incremental changes to the budget as a result of salary adjustments and inflation.

## Civil Service Commissions

### Incremental Budget Changes

#### Civil Service Commissions

	2013		2014	
	Budget	FTE	Budget	FTE
<b>Total 2012 Adopted Budget</b>	<b>\$ 344,266</b>	<b>2.60</b>	<b>\$ 344,266</b>	<b>2.60</b>
<b>Baseline Changes</b>				
Citywide Adjustments for Standard Cost Changes	\$ 15,320	0.00	\$ 27,427	0.00
Salary and Benefit Adjustments	\$ 12,396	0.00	\$ 12,649	0.00
<b>Proposed Technical Changes</b>				
Final Citywide Adjustments for Standard Cost Changes	\$ 1,390	0.00	\$ 1,546	0.00
<b>Total Incremental Changes</b>	<b>\$ 29,106</b>	<b>0.00</b>	<b>\$ 41,622</b>	<b>0.00</b>
<b>2013 - 2014 Proposed Budget</b>	<b>\$ 373,371</b>	<b>2.60</b>	<b>\$ 385,887</b>	<b>2.60</b>

### Description of Incremental Budget Changes

#### Baseline Changes

##### **Citywide Adjustments for Standard Cost Changes - \$15,320**

Citywide technical adjustments made in the "Baseline Phase" reflect changes due to inflation, central cost allocations, retirement, health care, workers' compensation, and employment costs. These adjustments reflect initial assumptions about these costs and inflators early in the budget process.

##### **Salary and Benefit Adjustments - \$12,396**

The Proposed Budget increases the salary appropriation to fully fund the Executive Director position.

#### Proposed Technical Changes

##### **Final Citywide Adjustments for Standard Cost Changes - \$1,390**

Citywide technical adjustments made in the "Proposed Phase" reflect changes due to inflation, central cost allocations, retirement, health care, workers' compensation, and unemployment costs. These adjustments typically reflect updates to preliminary cost assumptions established in the "Baseline Phase."

## Civil Service Commissions

### Expenditure Overview

Appropriations	Summit Code	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Civil Service Commissions Budget Control Level	V1CIV	0	344,266	373,371	385,887
<b>Department Total</b>		<b>0</b>	<b>344,266</b>	<b>373,371</b>	<b>385,887</b>
<b>Department Full-time Equivalents Total*</b>		<b>0.00</b>	<b>2.60</b>	<b>2.60</b>	<b>2.60</b>

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

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

#### Civil Service Commissions Budget Control Level

The purpose of the Civil Service Commissions Budget Control Level is to provide administrative support to the Public Safety Civil Service Commission (PSCSC) and the Civil Service Commission (CSC). The PSCSC provides sworn police and uniformed fire employees with a quasi-judicial process for hearings on appeals concerning disciplinary actions, examination and testing, and other related issues. The CSC directs the civil service system for all other employees of the City. It investigates allegations of political patronage so the City's hiring process conforms to the merit system set forth in the City Charter. These commissions will at times improve the City personnel system by developing legislation for the Mayor and City Council.

Program Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Civil Service Commissions	0	344,266	373,371	385,887
<b>Total</b>	<b>0</b>	<b>344,266</b>	<b>373,371</b>	<b>385,887</b>
<b>Full-time Equivalents Total*</b>	<b>0.00</b>	<b>2.60</b>	<b>2.60</b>	<b>2.60</b>

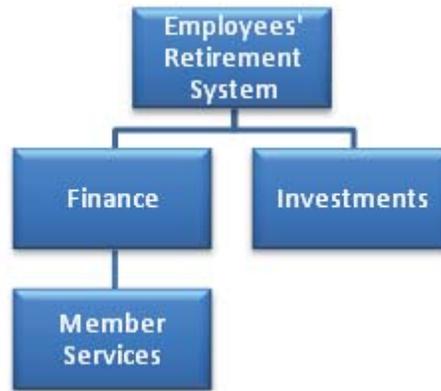
*\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Personnel Director actions outside of the budget process may not be detailed here.*

# Employees' Retirement System

Cecelia M. Carter, Executive Director

Department Information Line: (206) 386-1293

On the Web at: <http://www.seattle.gov/retirement/>



## Department Overview

The Employees' Retirement System has two major functions: administration of retirement benefits and management of the assets of the Retirement Fund. Employee and employer contributions, as well as investment earnings, provide funding for the System. Approximately 8,600 active employee members and 5,400 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 from which 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/>

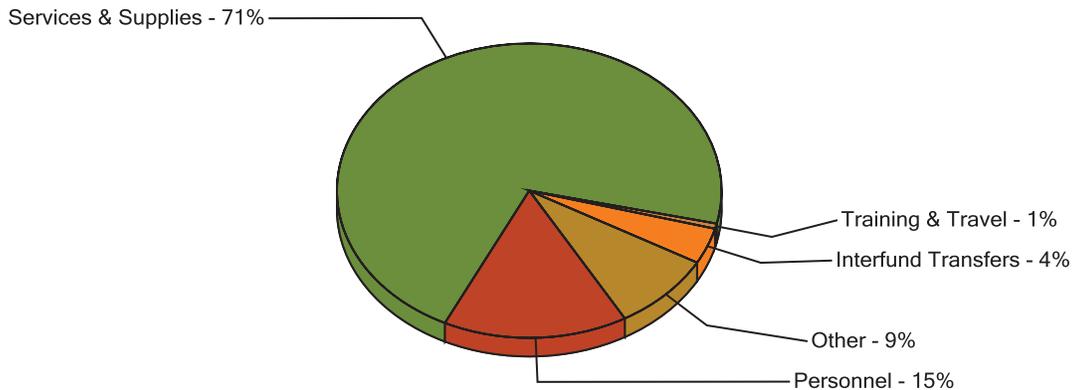
## Budget Snapshot

Department Support	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Other Funding - Operating	\$10,912,532	\$12,257,008	\$13,283,749	\$13,395,784
<b>Total Operations</b>	<b>\$10,912,532</b>	<b>\$12,257,008</b>	<b>\$13,283,749</b>	<b>\$13,395,784</b>
<b>Total Appropriations</b>	<b>\$10,912,532</b>	<b>\$12,257,008</b>	<b>\$13,283,749</b>	<b>\$13,395,784</b>
Full-time Equivalent Total*	15.50	18.00	18.00	18.00

\* 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

## 2013 Proposed Budget - Expenditure by Category



### Budget Overview

Like many other state and local pension funds, the Seattle City Employees' Retirement System (SCERS) faces significant financial challenges. Each year, SCERS receives contributions from the City and active members, and distributes benefits to retirees. For example, in 2011 SCERS received contributions from the City and covered City employees totaling \$101 million, while paying out \$141 million in benefits and refunds. The difference between contributions coming into the System and benefits and refunds paid out of the System must be covered by investment earnings or existing asset balances.

In years when the economy falters, investment earnings may not meet anticipated levels. During severe downturns the SCERS asset portfolio, as with most other retirement portfolios, may experience investment losses instead of gains. This was the case in 2008. At the beginning of 2008, SCERS held net assets worth \$2.1 billion, which amounted to 92% of the reserves needed to pay all promised retirement benefits. This is considered to be a relatively healthy funding level. In 2010, following sharp, worldwide financial market losses, SCERS net assets fell to \$1.6 billion which amounted to only 62% of the reserves necessary to pay promised future benefits. Performance over 2011 and 2012 leaves SCERS net assets at 68% of the reserves need to pay promised retirement benefits. This is an improvement from 2010 levels, but a significant gap remains and the City is taking steps to address the gap.

Given the total size of the SCERS portfolio, the System has ample resources on hand, combined with future contributions, needed to pay all near-term obligations to retirees. However, the decline in asset value described above must be made up over time in order to ensure full funding of retiree benefits in the long-term.

This shortfall can be made up in different ways. The easiest way to make up the gap is to have a better-than-anticipated investment returns on the SCERS portfolio. This was the case experienced in 2011 but not in 2012. SCERS cannot rely on better-than-anticipated investment returns every year, as some future years will again yield a lower return.

## Employees' Retirement System

Therefore, in order to proactively address the system shortfall, the Mayor, City Council, and Retirement Board, working with the City's labor unions, have taken important steps to increase the level of contributions paid into the Retirement System.

- First, beginning in 2011, the combined contribution rate paid by the City and by City employees enrolled in the retirement system increased from 16.06% (of covered salaries) to 18.06%, which increased total contributions to the Retirement System by an additional \$10 million in 2011 relative to 2010.
- Second, under the same legislation, passed in 2010, both the City and City employee contribution rates were scheduled to increase from 9.03% to 10.03% in 2012. However, after further actuarial analysis, the Mayor and City Council decided to increase the City's contribution rate from 9.03% to 11.01%, while raising the City employee contribution rate from 9.03% to 10.03% as originally planned.
- Third, in 2013, the total actuarial contribution rate is 22.92%. The City contribution rate will increase from 11.01% to 12.89% while the City employee contribution rate will remain at 10.03%. The employee contribution rate is capped under current labor agreements at 10.03%, so all increases required above this level must be covered solely by the City. The 2014 total contribution rate is expected to reach 24.31%. Therefore, the City contribution rate will increase to 14.28% and the employee contribution rate will remain at 10.03%. These changes will increase contribution levels by \$12 million in 2013 and \$22 million in 2014, relative to 2012 levels. The annual total contribution rates are the full actuarially determined contribution rates recommended to meet Retirement System obligations for 2013 and 2014, and is designed to fully fund the System over 30 years.

The System employs a common five-year asset smoothing policy under which portfolio gains or losses occurring in each year are recognized evenly over a five-year period, thereby smoothing out volatile year-to-year swings in asset values. This policy results in gradual changes in actuarially recommended contribution rates each year. Current projections indicate that contribution rates will likely continue to increase in 2015, and the City's six-year financial planning practices incorporate these changes into financial projections of future years.

Given projected future increases in City costs for retirement, in 2012 an interdepartmental team developed a report summarizing possible changes to the Retirement System that would enhance its fiscal sustainability over the long run. These options are currently under consideration and the City will continue to analyze the costs, benefits and feasibility of these and other changes to the Retirement System in the coming biennium. More details on this report can be found online: [http://www.seattle.gov/council/issues/retirement\\_system.htm](http://www.seattle.gov/council/issues/retirement_system.htm)

The 2013-2014 Proposed Budget includes a scheduled rent increase for the SCERS offices. The Budget will also include a consultant to assist in the upgrade of SCERS' recordkeeping and administrative data systems.

# Employees' Retirement System

## Incremental Budget Changes

### Employees' Retirement System

	2013		2014	
	Budget	FTE	Budget	FTE
<b>Total 2012 Adopted Budget</b>	<b>\$ 12,257,008</b>	<b>18.00</b>	<b>\$ 12,257,008</b>	<b>18.00</b>
<b>Baseline Changes</b>				
Citywide Adjustments for Standard Cost Changes	\$ 311,545	0.00	\$ 621,815	0.00
<b>Proposed Policy Changes</b>				
Retirement Recordkeeping Upgrade	\$ 260,000	0.00	\$ 0	0.00
<b>Proposed Technical Changes</b>				
Final Citywide Adjustments for Standard Cost Changes	\$ 335,196	0.00	\$ 393,961	0.00
Rent Increase	\$ 120,000	0.00	\$ 123,000	0.00
<b>Total Incremental Changes</b>	<b>\$ 1,026,741</b>	<b>0.00</b>	<b>\$ 1,138,776</b>	<b>0.00</b>
<b>2013 - 2014 Proposed Budget</b>	<b>\$ 13,283,749</b>	<b>18.00</b>	<b>\$ 13,395,784</b>	<b>18.00</b>

## Description of Incremental Budget Changes

### Baseline Changes

#### Citywide Adjustments for Standard Cost Changes - \$311,545

Citywide technical adjustments made in the "Baseline Phase" reflect changes due to inflation, central cost allocations, retirement, health care, workers' compensation, and employment costs. These adjustments reflect initial assumptions about these costs and inflators early in the budget process.

### Proposed Policy Changes

#### Retirement Recordkeeping Upgrade - \$260,000

The 2013-2014 Proposed Budget includes one-time funding for 2013 for a consultant to review the existing Retirement Department's recordkeeping data system.

### Proposed Technical Changes

#### Final Citywide Adjustments for Standard Cost Changes - \$335,196

Citywide technical adjustments made in the "Proposed Phase" reflect changes due to inflation, central cost allocations, retirement, health care, workers' compensation, and unemployment costs. These adjustments typically reflect updates to preliminary cost assumptions established in the "Baseline Phase."

# Employees' Retirement System

## Rent Increase - \$120,000

The 2013-2014 Proposed Budget includes funding for scheduled rent increases for the Retirement Department following rent breaks in 2011 and 2012.

## Expenditure Overview

Appropriations	Summit Code	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Personnel, Maintenance, and Operations Budget Control Level	R1E10	10,912,532	12,257,008	13,283,749	13,395,784
<b>Department Total</b>		<b>10,912,532</b>	<b>12,257,008</b>	<b>13,283,749</b>	<b>13,395,784</b>
<b>Department Full-time Equivalents Total*</b>		<b>15.50</b>	<b>18.00</b>	<b>18.00</b>	<b>18.00</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.

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

### Personnel, Maintenance, and Operations Budget Control Level

The purpose of the Employees' Retirement Budget Control Level is to manage and administer retirement assets and benefits.

Program Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Employees' Retirement	10,912,532	12,257,008	13,283,749	13,395,784
<b>Total</b>	<b>10,912,532</b>	<b>12,257,008</b>	<b>13,283,749</b>	<b>13,395,784</b>
Full-time Equivalents Total*	15.50	18.00	18.00	18.00

\* 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

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Wayne Barnett, Executive Director  
Department Information Line: (206) 684-8500  
On the Web at: <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. The SEEC also promotes informed elections through education, training, and enforcement of the City's Elections Code and Election Pamphlet Code.

In 2011, the SEEC entered into a three-year contract with the Seattle Public Schools to provide an independent and comprehensive ethics and whistleblower protection program to the district. The SEEC's Executive Director is now also serving as the Seattle Public School District's Ethics Officer. Also in 2011, the SEEC executed an agreement with the City of Kirkland to provide an independent ethics investigation program for that city.

The SEEC conducts ethics training for all City employees on 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 SEEC issues advisory opinions regarding interpretations of the Code of Ethics and also investigates and rules upon alleged violations of the Code. Thirty years of formal advisory opinions, organized and searchable by topic, are available on the SEEC's website.

Through the Whistleblower Code, the SEEC helps to protect an employee's right to report improper governmental action and to be free from possible retaliation as a result of such reporting. The SEEC either investigates allegations of improper governmental actions itself or refers allegations to the appropriate agency.

The SEEC fulfills the public's mandate of full campaign disclosure by training every organization required to report contributions and expenditures in proper reporting procedures, auditing every organization that reports, working with those organizations to correct errors, and making all campaign finance information available to the public. Since 1993, the SEEC has made summary reports of campaign financing information available to the public. And since 1995, the SEEC has published campaign financing information on its website.

## Ethics and Elections Commission

The SEEC is charged with administering the City's lobbying regulations. The SEEC collects and posts information so that citizens know who is lobbying and how much they are being paid to lobby. The SEEC also enforces compliance with the lobbying regulations.

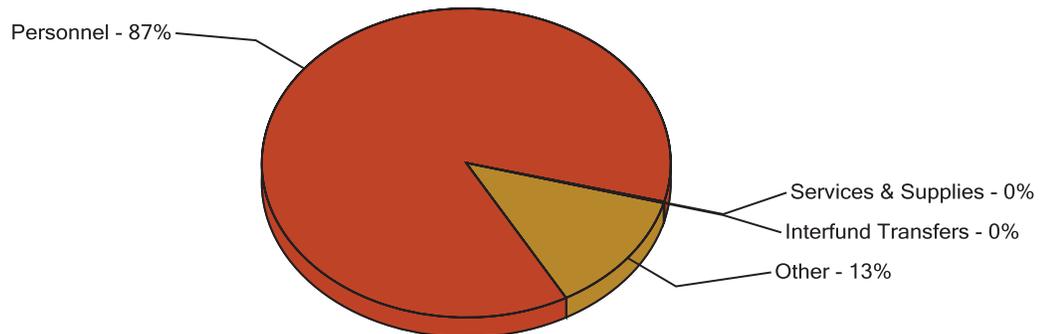
The SEEC produces voters' pamphlets for City elections and ballot measures. It makes these pamphlets available in several languages and produces a video voters' guide with King County in odd-numbered years. The video voters' guide is funded with cable franchise fee revenue.

### Budget Snapshot

Department Support	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
General Fund Support	\$733,402	\$759,952	\$898,310	\$782,800
<b>Total Operations</b>	<b>\$733,402</b>	<b>\$759,952</b>	<b>\$898,310</b>	<b>\$782,800</b>
<b>Total Appropriations</b>	<b>\$733,402</b>	<b>\$759,952</b>	<b>\$898,310</b>	<b>\$782,800</b>
Full-time Equivalent Total*	5.20	6.20	6.20	6.20

\* 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.

### 2013 Proposed Budget - Expenditure by Category



### Budget Overview

Because of its small size and essential nature, the 2013-2014 Proposed Budget does not recommend any reductions to the Ethics and Elections Commission budget.

# Ethics and Elections Commission

## Incremental Budget Changes

### Ethics and Elections Commission

	2013		2014	
	Budget	FTE	Budget	FTE
<b>Total 2012 Adopted Budget</b>	<b>\$ 759,952</b>	<b>6.20</b>	<b>\$ 759,952</b>	<b>6.20</b>
<b>Baseline Changes</b>				
Citywide Adjustments for Standard Cost Changes	\$ 30,951	0.00	\$ 54,923	0.00
School District Contract Adjustment	\$ 0	0.00	-\$ 60,280	0.00
Voter Pamphlet Increase	\$ 78,500	0.00	\$ 0	0.00
<b>Proposed Policy Changes</b>				
Staff Reclassification	\$ 15,000	0.00	\$ 15,432	0.00
<b>Proposed Technical Changes</b>				
Final Citywide Adjustments for Standard Cost Changes	\$ 13,907	0.00	\$ 12,773	0.00
<b>Total Incremental Changes</b>	<b>\$ 138,358</b>	<b>0.00</b>	<b>\$ 22,848</b>	<b>0.00</b>
<b>2013 - 2014 Proposed Budget</b>	<b>\$ 898,310</b>	<b>6.20</b>	<b>\$ 782,800</b>	<b>6.20</b>

## Description of Incremental Budget Changes

### Baseline Changes

#### **Citywide Adjustments for Standard Cost Changes - \$30,951**

Citywide technical adjustments made in the "Baseline Phase" reflect changes due to inflation, central cost allocations, retirement, health care, workers' compensation, and employment costs. These adjustments reflect initial assumptions about these costs and inflators early in the budget process.

#### **School District Contract Adjustment**

In 2011, the Ethics and Elections Commission and the Seattle Public Schools (SPS) entered into a three-year agreement where City staff will provide ethics and whistleblower training and investigative services to SPS. The end date of this contract is June 2014. The baseline 2014 budget is adjusted to reflect the end of funding for this contract. It is anticipated that the contract will be renewed in 2014 and the budget will be amended through a subsequent ordinance, at that time.

#### **Voter Pamphlet Increase - \$78,500**

The cost of producing the voter's pamphlet varies each year. With few ballot items scheduled for 2012, Ethics and Elections offered a one-time reduction. The 2013-2014 Proposed Budget notes an increase to fund a larger voter's pamphlet with many city positions on the ballot.

# Ethics and Elections Commission

## Proposed Policy Changes

### Staff Reclassification - \$15,000

In 2012, a Senior Training and Education Coordinator was reclassified to a Strategic Advisor 1. This position spends 40% of their time in the service of the Seattle Public Schools (SPS) which will absorb a pro-rated share of the \$35,000 increase.

## Proposed Technical Changes

### Final Citywide Adjustments for Standard Cost Changes - \$13,907

Citywide technical adjustments made in the "Proposed Phase" reflect changes due to inflation, central cost allocations, retirement, health care, workers' compensation, and unemployment costs. These adjustments typically reflect updates to preliminary cost assumptions established in the "Baseline Phase."

## Expenditure Overview

Appropriations	Summit Code	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Ethics and Elections Budget Control Level	V1T00	733,402	759,952	898,310	782,800
<b>Department Total</b>		<b>733,402</b>	<b>759,952</b>	<b>898,310</b>	<b>782,800</b>
<b>Department Full-time Equivalent Total*</b>		<b>5.20</b>	<b>6.20</b>	<b>6.20</b>	<b>6.20</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.

## Ethics and Elections Commission

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

#### Ethics and Elections Budget Control Level

The purpose of the Ethics and Elections Budget Control Level is to: 1) audit, investigate, and conduct hearings regarding non-compliance with, or violations of, Commission-administered ordinances; 2) advise all City officials and employees of their obligations under Commission-administered ordinances; 3) publish and broadly distribute information about the City's ethical standards, City election campaigns, campaign financial disclosure statements, and lobbyist disclosure statements; and 4) provide an independent and comprehensive Ethics and Whistleblower Protection program for the Seattle Public Schools.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Ethics and Elections	733,402	759,952	898,310	782,800
<b>Total</b>	<b>733,402</b>	<b>759,952</b>	<b>898,310</b>	<b>782,800</b>
Full-time Equivalents Total*	5.20	6.20	6.20	6.20

*\* 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

Fred Podesta, Director

Department Information Line: (206) 684-0415

City of Seattle General Information: (206) 684-2489 TTY: (206) 615-0476

On the Web at <http://www.seattle.gov/fas>



# Department of Finance and Administrative Service

## Department Overview

The Department of Finance and Administrative Services (FAS) is one of the most functionally diverse departments within City government and was created in 2010, as part of the Mayor's reorganization of City government (please see the 2011 Adopted Budget for a longer explanation of this consolidation). Examples of the Department's responsibilities include: maintaining databases of employee information and the City's financial system; building or renovating fire stations; negotiating purchasing contracts for City departments; assuring fair competition for City-funded construction projects; operating more than one-hundred City facilities; helping sell property the City no longer needs; managing the City's investments; overseeing the central accounting system; maintaining police patrol cars and fire engines; making sure gas pumps accurately measure out a gallon of gas; regulating the taxicab industry; issuing business licenses, collecting taxes; advocating for animal welfare; finding adoptive homes for animals; and assisting constituents who call (206) 684-CITY (which is the City's Customer Service Bureau hotline where callers can get help solving problems, obtaining information, and resolving complaints).

FAS' budget is split into the following nine functional areas:

- Business Technology, which builds and maintains computer applications that support internal business functions, such as financial management, payroll, and personnel records management.
- Capital Development and Construction Management, which manages the design and construction of City facilities (including upgrading, renovating, or replacing 32 of the City's 33 neighborhood fire stations), as well as renovations, asset preservation projects, tenant improvements, and sustainability/environmental stewardship related to facility design and construction.
- Purchasing and Contracting, which manages rules, bids and contracts for products, supplies, equipment and services; maintains guidelines and procedures for consultant contracting; and administers public works contracting to ensure that all City departments adhere to the City's policy goals related to social equity and environmental stewardship.
- Facility Operations, which manages more than one-hundred public buildings and facilities (2.5 million square feet), including office space, parking garages, police and fire stations, community facilities and maintenance shops; procures leased space for City tenants when needed; plans and acquires new and expanded City facilities; and disposes of surplus City property.
- Financial Services, which receives City revenue and provides Citywide financial services, including debt management, treasury, central accounting (includes producing the Comprehensive Annual Financial Report), City investments and payroll (includes producing paychecks for more than 10,000 current and retired employees), business and licensing and tax administration, and risk management (which includes claims settlements).
- Fleets Services, which buys and provides maintenance, motor pool, and fueling services for more than 4,000 vehicles and heavy equipment while supporting environmentally sustainable fleets goals and practices.
- Revenue and Consumer Protection provides a variety of regulatory services (such as overseeing Seattle's taxicab industry), and consumer protection services (such as the Weights and Measures Unit, which tests gas pumps and supermarket checkout scanners to ensure consumers get what they pay for).
- Seattle Animal Shelter, which promotes public safety and animal welfare, enforces Seattle's laws regarding animals, runs animal sheltering and adoption programs, and manages a spay and neuter clinic, working with more than 4,000 animals a year, from dogs and cats to peacocks and goats.

## Department of Finance and Administrative Service

- Office of Constituent Services, which is a newly created office within FAS that advocates for service excellence throughout City government, answering more than 50,000 requests from constituents each year.

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 some of its services, such as the Seattle Animal Shelter Spay and Neuter Clinic, animal licensing, the Weights and Measures program, and for-hire driver licenses. Finally, FAS receives General Fund support from the City to pay for several financial services as well as administration of the City's taxes and business licensing services. This transfer funds the following:

- The smaller General Fund departments' portion of the rate charges (which are paid directly out of Finance General rather than loaded into the small departments budgets).
- Specific functions that are not part of the rate pool, such as parking meter collection, economics and forecasting, nightlife coordination, and Mutually Offsetting Benefit property maintenance.
- The portion of non-rate pool functions - such as the Seattle Animal Shelter, for-hire driver licenses, or the Weights and Measures program - where revenues fall short of covering operating costs.

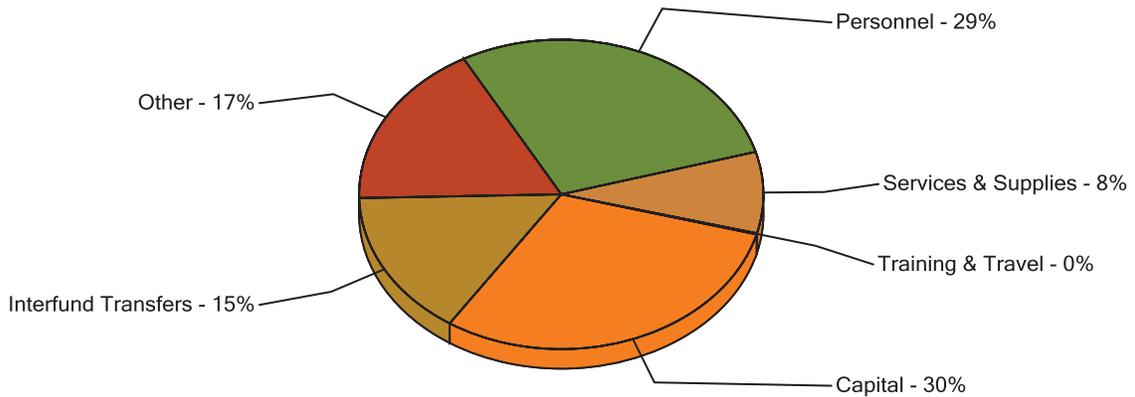
### Budget Snapshot

Department Support	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
General Fund Support	\$19,682,762	\$21,332,015	\$21,542,807	\$22,803,990
Other Funding - Operating	\$115,546,325	\$132,171,868	\$136,654,133	\$138,966,497
<b>Total Operations</b>	<b>\$135,229,087</b>	<b>\$153,503,885</b>	<b>\$158,196,940</b>	<b>\$161,770,487</b>
Other funding - Capital	\$25,506,776	\$28,609,001	\$44,136,129	\$46,450,728
<b>Total Appropriations</b>	<b>\$160,735,863</b>	<b>\$182,112,886</b>	<b>\$202,333,069</b>	<b>\$208,221,215</b>
Full-time Equivalent Total*	482.25	521.75	541.75	530.75

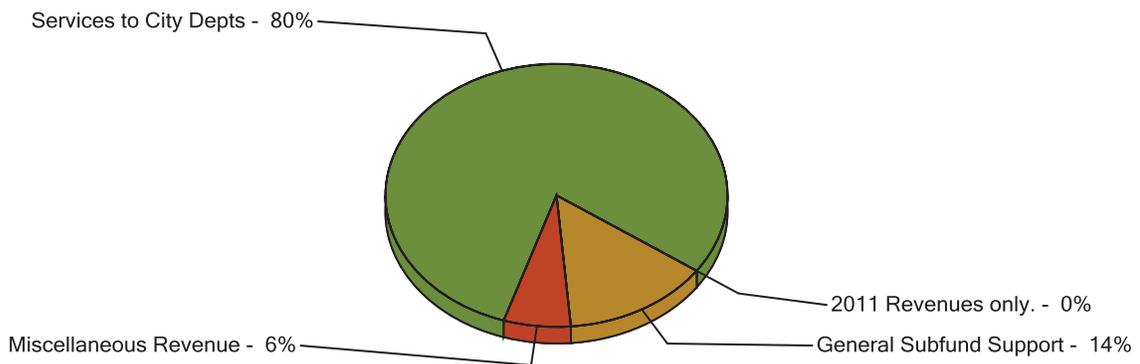
\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Personnel Director actions outside of the budget process may not be detailed here.

## Department of Finance and Administrative Service

### 2013 Proposed Budget - Expenditure by Category



### 2013 Proposed Budget - Revenue by Category



# Department of Finance and Administrative Service

## Budget Overview

The 2013-2014 Proposed Budget includes reductions for most General Fund-dependent departments. FAS receives a General Fund transfer to support the general government activities in its operations, which include functions such as constituent affairs, purchasing, contracting, financial services and the Seattle Animal Shelter. To address the General Fund shortfall, FAS' 2013-2014 Proposed Budget includes operating reductions that will reduce its reliance on the General Fund and decrease the rates and allocations it charges to General Fund departments. In addition, savings from these changes will also accrue to non-General Fund users of FAS services. The 2013-2014 Proposed Budget reflects the Department's emphasis on core services. The FAS budget preserves those resources necessary for the day-to-day operations of City government, while streamlining all operations.

### Planning for the Next Generation Data Center

In 2000, the City's data center was moved to the Seattle Municipal Tower (SMT) and built to the standards of the time. In 2012, the City identified a power transmission problem in SMT that directly impacted the City's primary data center, and therefore affected the business operations of all City departments. In addition, separate IT infrastructure housed in the SMT but managed by the City Light Department and the Seattle Department of Transportation was also affected. The problem was repaired and underscored the need to upgrade the City's systems. The 2013-2014 Proposed Budget includes funding to plan for the next generation data center. In 2013, the City will begin planning and designing alternatives for a new data center that will provide more capacity, redundancy, and resiliency.

An engineering consultant report completed in 2012 developed preliminary options and costs for an upgraded system of data centers. The preliminary recommendation is to develop an integrated system with a new more redundant and reliable main data center, upgrade two existing City data centers to enhance redundancy and reliability, and to repurpose or decommission the remaining data centers. Preliminary estimates suggest the costs range from \$29 million to \$49 million depending on which choices are made to meet the City's needs. The project is expected to take three years to complete. In planning for the City's future data center needs, the Department of Information Technology and FAS, working in conjunction with other departments will take a holistic look at the City's comprehensive data center needs and assess the potential of serving those needs in facilities already maintained by the City. This options analysis will determine which systems should be housed in City facilities, which systems could be best accommodated in leased data center space, which applications may be candidates for cloud computing, and where the City needs redundancies to ensure reliable access to the City's business systems.

### Long Term Financial Stability

Over the past few years, FAS has embarked on a series of projects to help address the City's overall financial management requirements. In 2012, FAS received funding to facilitate a Citywide Financial Management and Accountability Program (FinMAP) to establish financial management policies and procedures. The policies and procedures were designed to standardize the use of the City's financial system (Summit) and balance the needs of individual departments with Citywide requirements for regulatory reporting, central financial oversight, and fiscal accountability. In 2013, this project will continue with an upgrade of the Summit financial system as well as the addition of a grants and contract module to track federal grants and respond to reporting requirements. Overall this project will allow for better financial management and accountability Citywide. Examples of standardized policies and procedures to be provided by FinMAP include, but are not limited to, establishing an approach to monitor and control capital spending; standardizing the process of tracking funding sources; and creating standards to provide effective monitoring of multi-department capital improvement projects.

During the 2012 Washington State Legislative Session, the Department of Revenue drafted a bill to move the control and administration of all local jurisdictions who issue B&O tax to the Department of Revenue. While this bill was ultimately not enacted, the State Legislature did confirm the need for a local license and tax portal for cities that administer and control B&O tax at a local level. The City of Seattle has been working with five Washington cities to implement a multi-city business and occupation license and tax filing portal to

## Department of Finance and Administrative Service

allow businesses operating in multiple cities to register for a business license, file business taxes, and make tax payments at one online location. The 2013-2014 Proposed Budget provides funding in the Capital Improvement Program budget to create the portal.

FAS is adding additional staff to conduct a comprehensive review of policies, procedures, and practices related to the oversight of the City's finances. One position will focus on FAS internal controls to safeguard the City's assets and meet General Accepted Accounting Principles standards. A risk assessment for FAS will be completed and followed in future years by the development of internal control processes and procedures based on the assessment. The additional position will focus on the evaluation of Citywide internal control risks and identifying accounts receivable and accounts payable control failures.

### Changes in Regulatory Enforcement

Seattle's taxicab and for-hire vehicle industries are composed of 688 taxicabs and 199 for-hire vehicles licensed to approximately 600 small businesses. A 30% increase in the size of the industry since 2008, legislative changes, a significant increase in illegal activities by unlicensed for-hire vehicles and other additional regulatory responsibilities have led to a need for additional regulatory staff. FAS will add additional staff for inspection, enforcement, and administrative licensing activities. An increase in taxicab and for-hire vehicle fees and an increase in for-hire driver license fees will cover the additional costs of the increased staffing. Separate administrative staffing will be provided for the new limousine enforcement program that is covered by limousine license fee revenues from the State of Washington.

During 2012, legislation was introduced to cap fees for involuntary vehicle tows from private property, provide regulation of the tow industry, protect visitors and residents from predatory towing practices, and established license fees beginning in January 2013. Predatory towing practices include: charging unwarranted or excessive fees, overcharging consumers for involuntary tows, and holding a vehicle owner's personal belongings until all tow fees have been paid. The proposed regulatory framework for all tow companies and drivers includes: background checks for truck operators, operating and conduct standards, personnel who are available to the public 24x7 to release an impounded vehicle, posting appropriate signage regarding fees and redemption procedures, and complaint investigation procedures. The 2013-2014 Proposed Budget adds an inspector and an administrative position to implement this program, the cost of which will be covered by revenues generated by the new fees.

The Office of Sustainability and Environment's Energy Benchmarking and Reporting Program was previously funded by federal and private grants. In this budget, the program is funded by fees. This program requires commercial and multifamily building owners to provide benchmarking for energy use. FAS is adding staff to cover the additional enforcement workload related to this program. FAS is also adding staff to the Regulatory Enforcement Unit to identify and collect delinquent business license fees and taxes.

### Animal Shelter Changes

The Seattle Animal Shelter (SAS) is proposing a number of changes to increase the number of licensed pets and respond to the needs of the pet owners in the city. FAS will add a position to implement a Pet License Partnership program that will expand and manage pet license sales locations throughout the city, market pet licensing, coordinate special licensing events, attend local fairs and community gatherings, and work to increase pet license sales and compliance in Seattle. The Spay and Neuter Clinic will provide a new service of spaying and neutering privately owned rabbits. In addition, the pet license fee will be waived for feral cats that are brought in to be spayed or neutered to assist in managing the size of the feral cat colonies. The small animal adoption fee for hamsters, guinea pigs, rabbits, birds and reptiles is currently set at \$5.00 and will be raised to \$15.00 to bring the fee more in line with cost of the animal. The Director will be allowed to set special adoption fees for exotic animals that come into the shelter. Lastly, a permit fee for live animal trapping will be implemented to recover the costs associated with resident-initiated trap requests.

### Transforming How the City Does Business

FAS currently operates an internal warehouse for vehicle maintenance parts for six City vehicle maintenance locations. The six maintenance shops purchase approximately \$4.5 million in parts each year. FAS is

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proposing to outsource the warehouse operations to a private vendor that will provide the same service starting in 2014 for cost savings and service efficiency. This will result in a \$312,000 cost savings starting in 2014 and a \$900,000 one-time revenue increase to the General Subfund for the sale of the existing inventory to the vendor.

Since 1981, the FAS Fleet Division has maintained the vehicles for Public Health - Seattle and King County (PHSKC). Starting in 2013, approximately 198 vehicles will be transferred from FAS to the King County Fleet Administration Division. This transfer was requested by King County to consolidate all PHSKC vehicles under the King County Fleet Administration Division.

The City has a decentralized capital improvement process in that individual departments are responsible for designing, constructing and maintaining their own capital improvement projects. The City, as a Title II local government entity, is subject to federal Americans with Disabilities Act (ADA) standards and requirements in addition to state and local accessibility requirements. FAS is proposing to add staff to centralize ADA quality assurance/quality control, and monitor departments' active CIP projects to ensure that capital projects will be designed and constructed in compliance with ADA standards. In addition, an existing position in FAS that works on ADA compliance and the funding for this position will be shifted from the General Subfund to capital projects where this work is focused.

Providing social equity in construction contractor workforce hiring is a major policy commitment of the City. FAS is proposing to create a Public Works Labor Program and add staff to develop, implement and enforce programs that ensure social equity in construction contractor workforce hiring. This will provide essential resources to manage and enforce complex issues of diversity in construction hiring, and provide for associated labor agreements on City construction project sites. The top priorities and objectives of the program include: seeking pathways for worker diversity on City construction sites; continuing management of the City contracts that provide apprenticeship and pre-apprenticeship workers a path to new careers; and managing City commitments for Community Workforce Agreements.

The Treasury Services Division is adding additional staff to process a new payment processing workload moving over from Seattle City Light and Seattle Public Utilities. Additionally, a position will be added to support the creation of the Local Improvement District associated with the Alaskan Way Viaduct and Seawall Replacement Project.

The Purchasing Services Division implemented a test program in 2010 for rebates on certain City contracts. Due to this program's success, FAS will recognize the rebate revenues and reduce allocation fees to departments.

The Contracting Services Division will shift funding for the Prevailing Wage and Monitoring Analyst to be 75 percent funded from General Subfund due to the work provided by this position for the Office of Housing. Currently, this position is funded through the Division's contracting allocation model which results in costs being allocated only to departments with capital projects. However, the position works approximately 75 percent of their time on City-funded affordable housing projects that are not part of the City's capital improvement programs. Shifting the funding source to the General Subfund better aligns the work to the appropriate funding source.

### **Facility Services & Maintenance Changes**

In 2013, FAS will conduct a space utilization review of existing tenant spaces in Seattle Municipal Tower (SMT) to determine the best use of the space in this building. This study could lead to freeing up space for moves from City-leased space to City-owned space, or to freeing up space to be offered to private tenants.

The Facility Operations Division is proposing reductions in their programs to save money and reduce space rent costs for the departments. These reduction measures include reducing the frequency of preventative maintenance on the emergency generators and rollup doors, saving energy costs by setting the temperatures in City-operated buildings at established setpoints, and reducing the landscape maintenance at the City Hall and Justice Center.

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The Facility Operations Division also manages the SeaPark and SMT garages. To keep up with pricing and remain competitive, the cost for parking will increase for the general public, employees and City employees participating in the Commute Trip Reduction program. Additionally, Facility Operations manages the Pacific Place Garage and will be adding a position to provide management oversight of the garage and will be funded by revenues from the parking garage.

### Managing Technology

Due to increases in technology, the Business Licensing and Tax Administration Division will reduce costs by implementing paperless tax reporting for all City of Seattle business license customers. The savings will be realized by reduced costs for printing and mailing paper forms to the businesses.

The Fleet Services Division will implement a new fleet management interface software system that will allow information to flow more easily and frequently between the existing fleet management system and the City's accounting system. This will allow the billing process to gain efficiencies by eliminating the existing separate, standalone interface that requires dedicated support.

The Business Technology Division will cut staffing and costs by reducing support to the FAS business systems, decreasing spending on outside vendors for routine technical development services and reducing costs for payroll processing due to a renegotiated contract.

## Incremental Budget Changes

### Department of Finance & Administrative Services

	2013		2014	
	Budget	FTE	Budget	FTE
<b>Total 2012 Adopted Budget</b>	<b>\$ 153,503,883</b>	<b>521.75</b>	<b>\$ 153,503,883</b>	<b>521.75</b>
<b>Baseline Changes</b>				
Citywide Adjustments for Standard Cost Changes	\$ 3,384,666	0.00	\$ 6,597,420	0.00
Alignment of Budget with Actual Costs	\$ 681,248	0.00	\$ 152,812	0.00
Budget Neutral Transfers	\$ 0	0.00	\$ 0	0.00
Increase for Utility Rates and CPI Increases	\$ 111,350	0.00	\$ 117,100	0.00
One-Time Funding Reductions	-\$ 2,692,800	0.00	-\$ 2,754,732	0.00
Software Licensing Increases	\$ 635,000	0.00	\$ 652,555	0.00
<b>Proposed Policy Changes</b>				
Data Center Infrastructure Study	\$ 300,000	0.00	\$ 0	0.00
Implement Upgrade of Financial Management System and New Tax Portal	\$ 136,408	0.00	\$ 1,486,898	0.00
Add Regulatory and Enforcement Staffing	\$ 913,000	7.00	\$ 943,400	7.00
Internal Auditing Changes	\$ 280,800	2.00	\$ 238,600	2.00
Animal Shelter Fee Increases and Changes	\$ 73,700	1.00	\$ 71,200	1.00
Outsource Fleet Parts Warehousing Services and Fleet Reductions	\$ 0	0.00	-\$ 311,700	-11.00
SMT Utilization Study	\$ 125,000	0.00	\$ 0	0.00
Increase SMT and SeaPark Parking Garage Rates	\$ 135,000	1.00	\$ 139,000	1.00

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Staffing Changes in Treasury Services	\$ 320,000	3.00	\$ 318,500	3.00
ADA Inspector Changes	\$ 539,000	4.00	\$ 553,000	4.00
Add Staffing for Community Workforce Agreements	\$ 338,000	2.00	\$ 345,000	2.00
Changes in Contracting Services	\$ 0	0.00	\$ 0	0.00
License and Standards Inspector Change	\$ 0	0.00	\$ 0	0.00
Reductions in Facility Services and Maintenance	-\$ 124,000	0.00	-\$ 124,500	0.00
Business Technology Reductions	-\$ 98,100	-0.50	-\$ 100,300	-0.50
Implement Paperless Tax Reporting	-\$ 100,000	0.00	-\$ 102,300	0.00
Software Upgrades	\$ 96,000	0.00	\$ 6,000	0.00
<b>Proposed Technical Changes</b>				
Technical Adjustments	-\$ 1,006,974	0.50	-\$ 413,030	0.50
Final Citywide Adjustments for Standard Cost Changes	\$ 645,759	0.00	\$ 451,681	0.00
<b>Total Incremental Changes</b>	<b>\$ 4,693,057</b>	<b>20.00</b>	<b>\$ 8,266,604</b>	<b>9.00</b>
<b>2013 - 2014 Proposed Budget</b>	<b>\$ 158,196,940</b>	<b>541.75</b>	<b>\$ 161,770,487</b>	<b>530.75</b>

### Description of Incremental Budget Changes

#### Baseline Changes

##### **Citywide Adjustments for Standard Cost Changes - \$3,384,666**

Citywide technical adjustments made in the "Baseline Phase" reflect changes due to inflation, central cost allocations, retirement, health care, workers' compensation, and employment costs. These adjustments reflect initial assumptions about these costs and inflators early in the budget process.

##### **Alignment of Budget with Actual Costs - \$681,248**

These baseline changes align the budget with actual costs for fuel, staffing, and postage.

##### **Budget Neutral Transfers**

These budget neutral baseline transfers align the existing budget with the program where the expenditures are occurring.

##### **Increase for Utility Rates and CPI Increases - \$111,350**

This baseline adjustment aligns the budget with increases in utility rates and the Consumer Price Index.

##### **One-Time Funding Reductions - (\$2,692,800)**

This reduces budget for one-time items that were only funded for one year in 2012, including initial funding for the FinMAP project and funding for roof repairs on the Mutually Offsetting Benefit buildings.

##### **Software Licensing Increases - \$635,000**

This baseline budget change covers increased software application licensing costs for the Constituent Relationship Management and Summit systems.

# Department of Finance and Administrative Service

## Proposed Policy Changes

### **Data Center Infrastructure Study - \$300,000**

In 2012, the City identified a power transmission problem in the Seattle Municipal Tower (SMT) that directly impacted the City's primary data center, and therefore affected the business operations of all City departments. The problem was repaired and underscored the need to upgrade the City's systems. In 2013, the City will begin planning and designing alternatives for a new data center that will provide more capacity, redundancy and resiliency. This options analysis will determine which systems should be housed in City facilities, which systems could be best accommodated in leased data center space, which applications may be candidates for cloud computing, and where the City needs redundancies to ensure reliable access to the City's business systems. The FAS infrastructure study will provide information on options for data center facilities.

### **Implement Upgrade of Financial Management System and New Tax Portal - \$136,408**

This proposal implements a full upgrade of the City's Oracle/PeopleSoft Financial Management System (Summit) including a module for grants and contracts over the next three years. In addition, in conjunction with other municipalities, the City is implementing a business and occupation license and tax filing portal to allow businesses operating in multiple cities to register for a business license, file business taxes, and make tax payments at one online location.

### **Add Regulatory and Enforcement Staffing - \$913,000/7.00 FTE**

This proposal adds five positions for the Limousine, Taxicab and For-Hire Vehicle Regulatory program where the workload has increased 33% since 2008. Funding is also added for the City's new program to regulate the towing industry to establish and enforce minimum standards for tow truck operators, including a cap on private property impound towing and storage rates.

Additional staffing is added to the Regulatory Enforcement Unit to identify and collect delinquent business license fees and taxes. This add is expected to bring in \$958,000 of additional General Subfund revenues that will offset the costs of the two positions. Staffing is also provided to support the City's new Energy Benchmarking Program run by the Office of Sustainability and Environment. This will allow the City to track energy use in commercial and multifamily buildings to increase energy efficiency.

### **Internal Auditing Changes - \$280,800/2.00 FTE**

This item adds a position to review FAS' internal controls, policies, procedures, and practices related to the oversight of the City's finances. A position is also added to serve in a Citywide accounting/internal controls audit capacity and evaluate Citywide internal control risks.

### **Animal Shelter Fee Increases and Changes - \$73,700/1.00 FTE**

This item proposes a number of changes to the Seattle Animal Shelter (SAS) including implementing a Pet License Partnership Program to further enhance and coordinate pet license sales efforts in Seattle. In addition, the following new fees are established: a rabbit surgery fee in line with other private providers; and implementation of a live animal trapping permit fee to cover the costs of carrying out the necessary tasks associated with this type of trap.

SAS proposes to exempt the pet licensing requirement for feral cats that are brought into the shelter for sterilization to reduce the feral cat population. Small pet adoption fees will be increased from the current \$5.00 amount to \$15.00 and allow the Director to set special adoption fees for exotic animals. In 2013, to increase pet license compliance, SAS will have a pet license amnesty period to allow pet owners to purchase or renew delinquent licenses without penalties.

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## **Outsource Fleet Parts Warehousing Services and Fleet Reductions**

The City currently provides internal warehouse services for vehicle maintenance parts supply. This item proposes to contract out these services to an outside vendor to provide cost savings and service efficiency starting in 2014. This will result in \$312,000 in savings beginning in 2014 and an additional \$900,000 of revenue to the General Subfund due to selling existing inventory to the vendor. FAS will also realize one-time revenues of \$80,000 for the General Subfund due to a reduction in the FAS fleet and selling the vehicles at auction.

In 2013, the FAS Fleets Division will transfer responsibility of the 198 Public Health - Seattle and King County vehicles to King County Fleet Administrative Division. The transfer is being made at the request of King County.

## **SMT Utilization Study - \$125,000**

FAS will prepare a comprehensive study of the City owned Seattle Municipal Tower (SMT) space to determine the best use of space in this building and to free up space to reduce the number of leases on non-City owned buildings.

## **Increase SMT and SeaPark Parking Garage Rates - \$135,000/1.00 FTE**

This proposal increases parking rates at the SeaPark and SMT garages for both members of the general public and City employees, including fees for the Commute Trip Reduction program. FAS will also add staff to perform more intensive management oversight to the Pacific Place Garage.

## **Staffing Changes in Treasury Services - \$320,000/3.00 FTE**

The Treasury Services Division will add three FTEs. Two cashier positions will process new workload moving over from City Light and Seattle Public Utilities. Another FTE plus \$50,000 for mailings is added midyear 2013 to provide support for the new Alaskan Way Viaduct and Seawall Replacement Project Local Improvement District work.

## **ADA Inspector Changes - \$539,000/4.00 FTE**

This proposal shifts \$136,000 of funding for the Americans with Disabilities Act (ADA) Coordinator from the General Subfund to capital projects funding where this workload is focused. Four additional positions are added to create a centralized ADA Compliance unit to ensure that City capital projects comply with the current ADA standards.

## **Add Staffing for Community Workforce Agreements - \$338,000/2.00 FTE**

This proposal adds staffing to develop, implement and enforce programs that provide social equity in construction contractor workforce hiring. They will also manage any project labor agreements executed by the City for public works capital improvement projects.

## **Changes in Contracting Services**

In 2010, FAS negotiated rebates from vendors on certain City contracts. Due to this program's success, FAS will recognize the rebate revenues and reduce allocation fees to departments by \$35,000. This proposal also shifts \$72,000 of General Subfund to fund the Prevailing Wage Monitoring Analyst that performs verifications of prevailing wage solely on Office of Housing issues. Currently, this position is funded through the Division's contracting allocation model which results in costs being allocated only to departments with capital projects. However, the position spends approximately 75 percent of their time on City-funded affordable housing projects that are not part of the City's capital improvement programs. Shifting the funding source to the General Subfund better aligns the work to the appropriate funding source.

## **License and Standards Inspector Change**

This item reduces a vacant part-time License and Standards Inspector position and increases a filled License and Standards Inspector position to full-time in the Consumer Protection and Regulatory Enforcement division. This change brings the current workload into alignment and is a budget neutral transaction.

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## **Reductions in Facility Services and Maintenance - (\$124,000)**

This item reduces the frequency of preventative maintenance activities that FAS performs on the emergency generators and rollup doors for a savings of \$63,000 and is not expected to have a negative effect on the operation of these items. FAS will reduce the costs for heating and cooling City buildings by changing set points for temperatures for a savings of \$36,000. Finally, FAS will reduce the amount of maintenance purchased from the Parks Department for the landscaping at City Hall and the Justice Center for a \$50,000 savings.

## **Business Technology Reductions - (\$98,100)/(.50) FTE**

This proposal reduces a half-time position in the Business Technology division that provides support to FAS business systems and results in \$60,000 of savings. Additionally, an \$18,000 reduction will decrease spending on outside vendors for routine technical development services, but will still allow for emergency related technical services if necessary. A renegotiated contract for payroll processing costs results in an additional \$20,000 in savings that has no impacts on service levels.

## **Implement Paperless Tax Reporting - (\$100,000)**

This proposal will implement mandatory electronic tax filing for all City of Seattle business license customers saving costs in postage and printing forms. This change is not expected to impact compliance or revenues and is already mandated by the State of Washington. Customers will still be able to file a paper form for an additional fee.

## **Software Upgrades - \$96,000**

Funds are requested in 2013 to upgrade the interface between the Fleet Anywhere management software and Summit. The internally created Fleet Anywhere Billing and Reporting System will be eliminated.

## **Proposed Technical Changes**

### **Technical Adjustments - (\$1,006,974)/.50 FTE**

These adjustments include bringing the fuel budget in line with the rate allocation, adjusting a one-time add from 2012 for Americans with Disabilities training, increasing a position to full-time to reflect actual workload and reductions in the debt service amounts due to lower rates.

### **Final Citywide Adjustments for Standard Cost Changes - \$645,759**

Citywide technical adjustments made in the "Proposed Phase" reflect changes due to inflation, central cost allocations, retirement, health care, workers' compensation, and unemployment costs. These adjustments typically reflect updates to preliminary cost assumptions established in the "Baseline Phase."

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### Expenditure Overview

Appropriations	Summit Code	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
<b>Budget and Central Services Budget Control Level</b>	<b>A1000</b>	<b>3,778,843</b>	<b>3,930,628</b>	<b>4,436,362</b>	<b>4,524,762</b>
<b>Business Technology Budget Control Level</b>	<b>A4520</b>	<b>9,925,953</b>	<b>10,270,274</b>	<b>11,214,309</b>	<b>12,856,142</b>
<b>City Purchasing and Contracting Services Budget Control</b>					
Contracting Services		1,248,792	1,437,935	2,389,253	2,465,019
Purchasing Services		1,504,847	1,566,788	1,643,337	1,694,398
<b>Total</b>	<b>A4540</b>	<b>2,753,638</b>	<b>3,004,722</b>	<b>4,032,590</b>	<b>4,159,416</b>
<b>Facility Services Budget Control Level</b>	<b>A3000</b>	<b>61,951,242</b>	<b>65,818,737</b>	<b>64,719,965</b>	<b>65,253,169</b>
<b>Financial Services Budget Control</b>					
Accounting		3,153,793	4,002,900	3,675,809	3,786,514
Business Licensing & Tax Administration		2,630,182	2,717,005	3,054,486	3,147,639
City Economics & Financial Management		1,694,904	1,723,823	1,785,058	1,839,753
Risk Management		1,314,878	1,247,371	1,304,552	1,343,611
Treasury		3,321,349	3,548,220	4,012,470	4,120,604
<b>Total</b>	<b>A4510</b>	<b>12,115,105</b>	<b>13,239,319</b>	<b>13,832,375</b>	<b>14,238,120</b>
<b>Fleet Services Budget Control</b>					
Vehicle Fueling		8,487,281	9,125,684	9,937,388	10,137,416
Vehicle Leasing		9,686,914	17,889,587	18,211,631	18,166,861
Vehicle Maintenance		17,267,017	18,689,282	19,158,107	19,353,362
<b>Total</b>	<b>A2000</b>	<b>35,441,212</b>	<b>45,704,553</b>	<b>47,307,126</b>	<b>47,657,639</b>
<b>Judgment &amp; Claims Budget Control Level</b>	<b>A4000</b>	<b>361,975</b>	<b>361,975</b>	<b>190,922</b>	<b>223,399</b>
<b>Office of Constituent Services Budget Control</b>					
Office of Constituent Services		1,002,712	2,842,203	2,756,022	2,854,257
<b>Total</b>	<b>A6510</b>	<b>1,002,712</b>	<b>2,842,203</b>	<b>2,756,022</b>	<b>2,854,257</b>
<b>Revenue and Consumer Protection Budget Control</b>	<b>A4530</b>	<b>2,306,352</b>	<b>2,348,202</b>	<b>3,376,751</b>	<b>3,491,953</b>
<b>Seattle Animal Shelter Budget Control Level</b>	<b>A5510</b>	<b>2,972,896</b>	<b>3,037,926</b>	<b>3,255,553</b>	<b>3,349,394</b>
<b>Technical Services Budget Control</b>					
Capital Development and Construction Management		2,619,159	2,945,347	3,074,966	3,162,235
<b>Total</b>	<b>A3100</b>	<b>2,619,159</b>	<b>2,945,347</b>	<b>3,074,966</b>	<b>3,162,235</b>
<b>Department Total</b>		<b>135,229,087</b>	<b>153,503,885</b>	<b>158,196,940</b>	<b>161,770,487</b>
<b>Department Full-time Equivalents Total</b>		<b>482.25</b>	<b>521.75</b>	<b>541.75</b>	<b>530.75</b>

## Department of Finance and Administrative Service

### Revenue Overview

#### 2013 Estimated Revenues

Summit Code	Source	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
433010	Federal Grants	694,137	0	0	0
434010	State Grants	94,813	0	0	0
441930	Private reimbursements - CDCM	17,450	0	0	0
461320	Unrealized Gains/Losses-Inv GASB31	31,822	0	0	0
462900	Other Rents & Use Charges	13,175	0	0	0
463000	Insurance Premiums & Recovery	48,412	0	0	0
485200	Insurance Recoveries-Fixed Assets - Vehicle Leasing	2,436,459	0	0	0
485400	Gain(Loss)-Disposition Fixed Assets - Vehicle Leasing	416,374	0	0	0
544590	Pet Population Control Fund	112,549	0	0	0
	<b>Total 2011 Revenues only.</b>	<b>3,865,192</b>	<b>0</b>	<b>0</b>	<b>0</b>
587001	IF ALLOC Mail Messenger - GF	329,510	344,710	371,271	384,816
587001	IF ALLOC Real Estate Svc Chrgrs - GF	413,499	423,980	264,863	273,503
587001	IF ALLOC Rent - Bldg/Other Space - GF for Small Departments	1,402,630	1,368,136	1,553,072	1,565,589
587001	IF ALLOC Warehousing Charges - GF	23,782	23,465	16,902	17,107
587001	IF Other Misc Revenue - ADA Coordinator	125,000	148,750	0	0
587001	IF Other Misc Revenue - Benaroya Passthrough	493,435	0	0	0
587001	IF Other Misc Revenue - CHH Lease	0	0	0	75,000
587001	IF Other Misc Revenue - City Hall Shelter	0	34,687	35,380	36,195
587001	IF Other Misc Revenue - Events Management	150,490	162,055	171,280	177,700
587001	IF Other Misc Revenue - MOB	350,000	350,000	350,000	350,000
587001	OPER TR IN-FR GENERAL FUND - Benaroya Concert Hall Passthrough	0	344,930	350,669	361,189
587001	OPER TR IN-FR GENERAL FUND - Business Licensing	1,283,917	1,382,743	1,100,440	1,139,639
587001	OPER TR IN-FR GENERAL FUND - Citywide Accounting	2,059,649	2,413,978	2,139,663	2,209,525
587001	OPER TR IN-FR GENERAL FUND - Claims Processing	166,771	172,449	186,560	192,973
587001	OPER TR IN-FR GENERAL FUND - Constituent Services	427,644	425,337	388,918	402,793

## Department of Finance and Administrative Service

587001	OPER TR IN-FR GENERAL FUND - Consumer Protection	647,407	624,151	0	0
587001	OPER TR IN-FR GENERAL FUND - Contracting Services	0	0	72,300	72,300
587001	OPER TR IN-FR GENERAL FUND - Debt Management	139,007	112,776	118,089	121,641
587001	OPER TR IN-FR GENERAL FUND - Economics & Forecasting	447,194	461,219	469,481	485,878
587001	OPER TR IN-FR GENERAL FUND - Facility Operations	0	0	102,448	0
587001	OPER TR IN-FR GENERAL FUND - FAS Applications	1,163,402	1,139,858	1,072,602	1,107,195
587001	OPER TR IN-FR GENERAL FUND - Fiscal Policy & Mgmt	540,691	778,412	901,343	930,606
587001	OPER TR IN-FR GENERAL FUND - Garden of Remembrance Passthrough	0	165,566	168,321	173,371
587001	OPER TR IN-FR GENERAL FUND - HRIS	1,074,538	931,900	1,013,838	1,045,457
587001	OPER TR IN-FR GENERAL FUND - Investments	216,834	218,179	169,129	174,386
587001	OPER TR IN-FR GENERAL FUND - Judgment/Claims Fund	0	0	39,842	72,319
587001	OPER TR IN-FR GENERAL FUND - Neighborhood Service Centers	0	91,277	9,646	50,893
587001	OPER TR IN-FR GENERAL FUND - Parking Meter Collections	527,889	525,395	544,691	563,496
587001	OPER TR IN-FR GENERAL FUND - Purchasing Services	452,033	503,623	575,984	597,158
587001	OPER TR IN-FR GENERAL FUND - Regulatory Enforcement	633,926	632,871	1,582,929	1,637,789
587001	OPER TR IN-FR GENERAL FUND - Remittance Processing	128,167	132,506	202,300	208,700
587001	OPER TR IN-FR GENERAL FUND - Risk Management	248,083	256,458	228,771	235,803
587001	OPER TR IN-FR GENERAL FUND - Seattle Animal Shelter	1,980,134	2,033,788	1,895,975	2,010,075
587001	OPER TR IN-FR GENERAL FUND - Spay & Neuter Clinic	107,144	230,965	149,320	169,976
587001	OPER TR IN-FR GENERAL FUND - SUMMIT	1,903,264	1,801,699	2,026,153	2,585,367
587001	OPER TR IN-FR GENERAL FUND - Tax Administration	1,832,515	2,199,487	2,335,410	2,412,347
587001	OPER TR IN-FR GENERAL FUND - Treasury Operations	874,957	896,665	935,217	963,204
	<b>Total General Subfund Support</b>	<b>20,143,512</b>	<b>21,332,015</b>	<b>21,542,807</b>	<b>22,803,990</b>
421600	Professional and Occupational Licenses	1,092,368	1,065,800	622,400	645,400

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441930	Cable Reimbursement	0	86,439	88,076	88,076
441960	Weights and Measures Fees	235,978	212,978	1,303,754	1,362,486
442300	Animal Licenses	1,335,223	950,000	1,377,500	1,367,500
442490	Other Protective Inspection Fees	40,021	36,626	36,000	36,000
443930	Animal Control Fees and Forfeits	149,150	129,000	139,500	139,500
443936	Spay and Neuter Fees	188,521	200,000	207,500	207,500
444300	Vehicle and Equipment Repair Charges	81,955	81,578	0	0
444500	Fuel Sales	55,962	64,875	0	0
444590	Other Protective Inspection Fees	0	93,275	233,800	233,800
447800	Training	30,320	41,000	25,000	25,000
461110	Interest Earnings - Residual Cash	232,298	280,000	183,500	183,500
462190	Motor Pool	1,059	1,296	0	0
462250	Vehicle and Equipment Leases	739,457	808,388	0	0
462300	Parking Fees - Private at SeaPark Garage	859,054	982,607	905,000	905,000
462300	Parking Fees - Private at SMT Garage	858,822	1,108,716	898,000	898,000
462500	Bldg/Other Space Rent Charge - Private at AWC	882,634	879,874	852,734	852,734
462500	Bldg/Other Space Rent Charge - Private at City Hall	91,228	92,541	73,982	73,982
462500	Bldg/Other Space Rent Charge - Private at SMT	1,173,095	1,050,000	1,175,000	1,175,000
462500	Bldg/Other Space Rent Charge - Private Misc	217,153	169,370	220,000	220,000
469990	Co-locator Revenues	0	3,312	3,418	3,418
469990	Other Miscellaneous Revenues	576,708	212,191	373,312	373,312
469990	Passport Revenues	0	370,000	350,000	325,000
562300	IF Parking Fees - SeaPark Garage	335,752	425,000	415,800	447,150
562300	IF Parking Fees - SMT Garage	249,305	272,620	310,200	338,850
	<b>Total Miscellaneous Revenue</b>	<b>9,426,062</b>	<b>9,617,486</b>	<b>9,794,476</b>	<b>9,901,208</b>
444560	IF Other Misc Revenue - Purchasing Rebates	0	0	140,000	140,000
541490	IF Administrative Fees and Charges - Citywide Accounting	1,946,135	2,011,553	1,975,865	2,040,379
541490	IF Administrative Fees and Charges - Contracting	1,264,326	1,420,243	2,468,818	2,554,166
541490	IF Administrative Fees and Charges - CUPS	0	1,251,855	1,640,394	1,698,573
541490	IF Administrative Fees and Charges - Debt Management	250,260	203,035	212,600	218,996

## Department of Finance and Administrative Service

541490	IF Administrative Fees and Charges - Facilities (Data Center)	0	0	195,552	0
541490	IF Administrative Fees and Charges - Investments	215,537	216,874	270,397	278,798
541490	IF Administrative Fees and Charges - Misc. Facility	426,187	260,000	260,000	260,000
541490	IF Administrative Fees and Charges - Office of Constituent Services	920,750	780,266	698,659	723,586
541490	IF Administrative Fees and Charges - Purchasing Services	1,176,329	1,310,581	1,192,463	1,236,303
541490	IF Administrative Fees and Charges - Remittance Processing	774,416	800,632	799,178	824,459
541490	IF Administrative Fees and Charges - Risk Management	938,377	967,845	1,073,397	1,108,571
541490	IF Administrative Fees and Charges - Treasury	1,100,565	1,303,199	1,619,040	1,669,373
541830	IF DP - Applications Development - Applications	469,425	469,730	631,938	652,314
541830	IF DP - Applications Development - HRIS	962,474	889,285	885,973	913,452
541830	IF DP - Applications Development - SUMMIT	3,113,230	3,180,873	3,566,319	4,550,617
541830	IF DP - Applications Development - Technology Capital	70,970	0	0	0
541921	IF Property Management Service Charges	89,678	100,504	0	0
541930	IF Custodial/Janitorial/Security	79,614	47,684	75,000	75,000
542830	IF Mail Messenger Charges	166,932	137,259	176,490	176,490
542831	IF ALLOC Mail Messenger - Departments	244,609	255,005	269,050	278,865
543210	IF Architect/Engineering Services - Capital Programs	2,841,113	3,486,410	3,858,100	3,988,590
544300	IF Vehicle and Equipment Repair	8,919,134	10,925,542	10,925,542	10,432,350
544500	IF Fuel Sales	8,464,523	9,316,013	10,007,879	10,208,037
548921	IF ALLOC Warehousing Charges - Departments	1,307,482	1,295,511	1,281,238	1,296,756
548922	IF ALLOC Real Estate Svc Chrgs - Departments	430,377	441,285	362,317	374,137
562150	IF Motor Pool Rental Charges	466,158	512,429	805,962	813,466
562250	IF Vehicle and Equipment Leases	22,219,846	23,516,988	24,414,470	24,873,248
562500	IF Building/Other Space Rental	4,605,616	5,497,635	5,652,932	5,798,820
562510	IF ALLOC Rent - Bldg/Other Space	45,864,054	46,121,120	46,727,544	47,268,312
569990	IF Other Misc Revenue - AWV LID	0	0	111,000	102,500
569990	IF Other Misc Revenue - Facilities	462,346	380,000	380,000	380,000

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569990	IF Other Misc Revenue - FAS Accounting	-6,692	25,182	52,855	54,712
569990	IF Other Misc Revenue - HCF	138,000	142,000	149,140	154,400
569990	IF Other Misc Revenue - REET (ADA Coordinator)	0	0	136,361	141,180
569990	IF Other Misc Revenue - Subfund 46010 (DT Parking Garage Coordinator)	0	0	135,000	139,000
569990	IF Other Misc Revenue - Transportation Benefits District	8,700	54,583	56,980	59,035
<b>Total Services to City Depts</b>		<b>109,930,471</b>	<b>117,321,121</b>	<b>123,208,453</b>	<b>125,484,485</b>
<b>Total Revenues</b>		<b>143,365,237</b>	<b>148,270,622</b>	<b>154,545,736</b>	<b>158,189,683</b>
379100	Use of (Contribution To) Fund Balance	0	5,233,266	3,651,204	3,580,804
<b>Total Use of (Contribution To) Fund Balance</b>		<b>0</b>	<b>5,233,266</b>	<b>3,651,204</b>	<b>3,580,804</b>
<b>Total Resources</b>		<b>143,365,237</b>	<b>153,503,888</b>	<b>158,196,940</b>	<b>161,770,487</b>

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

### Budget and Central Services Budget Control Level

The purpose of the Budget and Central Services Budget Control Level is to provide executive leadership and a range of planning and support functions, including policy and strategic analysis, budget development and monitoring, financial analysis and reporting, accounting services, information technology services, human resource services, office administration, and central departmental services such as contract review and legislative coordination. These functions promote solid business systems, optimal resource allocation, and compliance with Citywide financial, technology, and personnel policies.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Budget and Central Services	3,778,843	3,930,628	4,436,362	4,524,762
<b>Total</b>	<b>3,778,843</b>	<b>3,930,628</b>	<b>4,436,362</b>	<b>4,524,762</b>
Full-time Equivalents Total*	35.50	34.50	37.00	37.00

*\* 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 and Administrative Service

### **Business Technology Budget Control Level**

The purpose of the Business Technology Budget Control Level is to plan, strategize, develop, implement, and maintain business technologies to support the City's business activities.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Business Technology	9,925,953	10,270,274	11,214,309	12,856,142
<b>Total</b>	<b>9,925,953</b>	<b>10,270,274</b>	<b>11,214,309</b>	<b>12,856,142</b>
Full-time Equivalents Total*	42.50	44.50	43.00	43.00

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### **City Purchasing and Contracting Services Budget Control Level**

The purpose of the City Purchasing and Contracting Services Budget Control Level is to conduct and administer all bids and contracts for Public Works and purchases (products, supplies, equipment, and services) on behalf of City departments.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Contracting Services	1,248,792	1,437,935	2,389,253	2,465,019
Purchasing Services	1,504,847	1,566,788	1,643,337	1,694,398
<b>Total</b>	<b>2,753,638</b>	<b>3,004,722</b>	<b>4,032,590</b>	<b>4,159,416</b>
Full-time Equivalents Total*	28.00	27.00	33.00	33.00

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## Department of Finance and Administrative Service

**The following information summarizes the programs in City Purchasing and Contracting Services Budget Control Level:**

### Contracting Services Program

The purpose of the Contracting Services Program is to administer the bid, award, execution, and close-out of public works projects for City departments. Staff anticipate and meet customers' contracting needs and provide education throughout the contracting process. This program also maintains the City's guidelines and procedures for consultant contracting.

Expenditures/FTE	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Contracting Services	1,248,792	1,437,935	2,389,253	2,465,019
Full-time Equivalents Total	13.00	13.00	19.00	19.00

### Purchasing Services Program

The purpose of the Purchasing Services Program is to provide central oversight for the purchase of goods, products, materials, and routine services obtained by City departments. All purchases for any department that total more than \$44,000 per year are centrally managed by Purchasing Services. City Purchasing conducts the bid and acquisition process, executes and manages the contracts, and establishes centralized volume-discount blanket contracts for City department use. This program also develops and manages City guidelines and policies for purchases.

Expenditures/FTE	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Purchasing Services	1,504,847	1,566,788	1,643,337	1,694,398
Full-time Equivalents Total	15.00	14.00	14.00	14.00

### **Facility Services Budget Control Level**

The purpose of the Facility Services Budget Control Level is to manage most of the City's general government facilities, including the downtown civic campus, police precincts, fire stations, shops and yards, and several parking facilities. Functions include property management, environmental analysis, implementation of environmentally sustainable facility investments, facility maintenance and repair, janitorial services, security services, and event scheduling. The Facility Operations team is also responsible for warehouse, real estate, and mail services throughout the City. These functions promote well-managed, clean, safe, and highly efficient buildings and grounds that house City employees and serve the public.

Program Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Facility Services	61,951,242	65,818,737	64,719,965	65,253,169
<b>Total</b>	<b>61,951,242</b>	<b>65,818,737</b>	<b>64,719,965</b>	<b>65,253,169</b>
Full-time Equivalents Total*	92.50	87.50	88.50	88.50

*\* 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 Finance and Administrative Service

### Financial Services Budget Control Level

The purpose of the Financial Services Budget Control Level (BCL) is to oversee and provide technical support to the financial affairs of the City. This BCL performs a wide range of technical and operating functions, such as economic and fiscal forecasting, debt issuance and management, Citywide payroll processing, investments, risk management tax administration, and revenue and payment processing services. In addition, this BCL develops and implements a variety of City financial policies related to the City's revenues, accounting procedures, and risk mitigation. Finally, the BCL provides oversight and guidance to financial reporting, City retirement programs, and public corporations established by the City.

Program Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Accounting	3,153,793	4,002,900	3,675,809	3,786,514
Business Licensing and Tax Administration	2,630,182	2,717,005	3,054,486	3,147,639
City Economics and Financial Management	1,694,904	1,723,823	1,785,058	1,839,753
Risk Management	1,314,878	1,247,371	1,304,552	1,343,611
Treasury	3,321,349	3,548,220	4,012,470	4,120,604
<b>Total</b>	<b>12,115,105</b>	<b>13,239,319</b>	<b>13,832,375</b>	<b>14,238,120</b>
Full-time Equivalents Total*	79.50	97.50	102.50	102.50

\* 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 Financial Services Budget Control Level:**

#### **Accounting Program**

The purpose of the Accounting Program is to establish and enforce Citywide accounting policies and procedures, perform certain financial transactions, process the City's payroll, and provide financial reporting, including preparation of the City's Comprehensive Annual Financial Report.

Expenditures/FTE	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Accounting	3,153,793	4,002,900	3,675,809	3,786,514
Full-time Equivalents Total	33.50	25.50	27.50	27.50

#### **Business Licensing and Tax Administration Program**

The purpose of the Business Licensing and Tax Administration Program is to license businesses, collect business-related taxes, and administer the Business and Occupation (B&O) Tax, utility taxes, and other taxes levied by the City.

Expenditures/FTE	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Business Licensing and Tax Administration	2,630,182	2,717,005	3,054,486	3,147,639
Full-time Equivalents Total	0.00	25.00	25.00	25.00

## Department of Finance and Administrative Service

### City Economics and Financial Management Program

The purpose of the City Economics and Financial Management Program is to ensure that the City's financial affairs are consistent with State and Federal laws and policies, City Code, and the City's Adopted Budget. This includes establishing policy for and overseeing City accounting, treasury, risk management, and tax administration functions on behalf of the Director of Finance and Administrative Services. In addition, the Program provides financial oversight of City retirement programs and public corporations established by the City. The Program provides economic and revenue forecasts to City policy makers and administers the City's debt portfolio. Program staff members provide expert financial analysis to elected officials and the City Budget Office to help inform and shape the City's budget.

Expenditures/FTE	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
City Economics and Financial Management	1,694,904	1,723,823	1,785,058	1,839,753
Full-time Equivalents Total	8.00	11.00	11.00	11.00

### Risk Management Program

The purpose of the Risk Management Program is to advise City departments on ways to avoid or reduce losses, provide expert advice on appropriate insurance and indemnification language in contracts, investigate and adjust claims against the City, and to administer all of the City's liability, property insurance policies, and its self-insurance program.

Expenditures/FTE	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Risk Management	1,314,878	1,247,371	1,304,552	1,343,611
Full-time Equivalents Total	9.00	9.00	9.00	9.00

### Treasury Program

The purpose of the Treasury Program is to collect and record monies owed to the City and pay the City's expenses. This program also invests temporarily idle City money, administers the Business Improvement Area and Local Improvement District program, and collects and processes parking meter revenues.

Expenditures/FTE	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Treasury	3,321,349	3,548,220	4,012,470	4,120,604
Full-time Equivalents Total	29.00	27.00	30.00	30.00

## Department of Finance and Administrative Service

### Fleet Services Budget Control Level

The purpose of the Fleet Services Budget Control Level is to provide fleet vehicles to City departments; assess and implement environmental initiatives related to both the composition of the City's fleet and the fuels that power it; actively manage and maintain the fleet; procure and distribute fuel; and operate a centralized motor pool. The goal of these functions is to create and support an environmentally responsible and cost-effective Citywide fleet that helps all City departments carry out their work as efficiently as possible.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Vehicle Fueling	8,487,281	9,125,684	9,937,388	10,137,416
Vehicle Leasing	9,686,914	17,889,587	18,211,631	18,166,861
Vehicle Maintenance	17,267,017	18,689,282	19,158,107	19,353,362
<b>Total</b>	<b>35,441,212</b>	<b>45,704,553</b>	<b>47,307,126</b>	<b>47,657,639</b>
Full-time Equivalents Total*	131.00	127.00	127.00	116.00

\* 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 Control Level:*

#### **Vehicle Fueling Program**

The purpose of the Vehicle Fueling Program is to procure, store, distribute, and manage various types of fuels, including alternative fuels, for City departments.

<b>Expenditures/FTE</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Vehicle Fueling	8,487,281	9,125,684	9,937,388	10,137,416
Full-time Equivalents Total	1.00	1.00	1.00	1.00

#### **Vehicle Leasing Program**

The purpose of the Vehicle Leasing Program is to specify, engineer, purchase, and dispose of vehicles and equipment on behalf of other City departments and local agencies. This program administers the lease program by which these FAS-procured vehicles are provided to City departments. The program also provides motor pool services, and houses fleet administration and environmental stewardship functions.

<b>Expenditures/FTE</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Vehicle Leasing	9,686,914	17,889,587	18,211,631	18,166,861
Full-time Equivalents Total	11.00	10.00	11.00	11.00

#### **Vehicle Maintenance Program**

The purpose of the Vehicle Maintenance Program is to provide vehicle and equipment outfitting, preventive maintenance, repairs, parts delivery, and related services in a safe, rapid, and prioritized manner.

<b>Expenditures/FTE</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Vehicle Maintenance	17,267,017	18,689,282	19,158,107	19,353,362
Full-time Equivalents Total	119.00	116.00	115.00	104.00

## Department of Finance and Administrative Service

### **Judgment and Claims Budget Control Level**

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

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Judgment and Claims	361,975	361,975	190,922	223,399
<b>Total</b>	<b>361,975</b>	<b>361,975</b>	<b>190,922</b>	<b>223,399</b>

### **Office of Constituent Services Budget Control Level**

The purpose of the Office of Constituent Services Budget Control Level (BCL) is to lead City departments to consistently provide services that are easily accessible, responsive, and fair. This includes assistance with a broad range of City services, such as transactions, information requests, and complaint investigations. This BCL includes the City's Customer Service Bureau, the Neighborhood Payment and Information Service Centers, Citywide public disclosure responsibilities, and service-delivery analysts.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Office of Constituent Services	1,002,712	2,842,203	2,756,022	2,854,257
<b>Total</b>	<b>1,002,712</b>	<b>2,842,203</b>	<b>2,756,022</b>	<b>2,854,257</b>
Full-time Equivalents Total*	11.25	27.75	26.75	26.75

*\* 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 Office of Constituent Services Budget Control Level:***

#### **Office of Constituent Services Program**

The purpose of the Office of Constituent Services Budget Control Level (BCL) is to lead City departments to consistently provide services that are easily accessible, responsive, and fair. This includes assistance with a broad range of City services, such as transactions, information requests, and complaint investigations. This BCL includes the City's Customer Service Bureau, Citywide public disclosure responsibilities, and service-delivery analysts.

<b>Expenditures/FTE</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Office of Constituent Services	1,002,712	2,842,203	2,756,022	2,854,257
Full-time Equivalents Total	11.25	27.75	26.75	26.75

## Department of Finance and Administrative Service

### Revenue and Consumer Protection Budget Control Level

The purpose of the Revenue and Consumer Protection Budget Control Level is to provide regulatory and consumer protection services.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Revenue and Consumer Protection	2,306,352	2,348,202	3,376,751	3,491,953
<b>Total</b>	<b>2,306,352</b>	<b>2,348,202</b>	<b>3,376,751</b>	<b>3,491,953</b>
Full-time Equivalents Total*	8.50	23.00	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 Revenue and Consumer Protection Budget Control Level:**

#### **Revenue and Consumer Protection Program**

The purpose of the Consumer Protection Program is to provide Seattle consumers with a fair and well-regulated marketplace. This program includes taxicab inspections and licensing, the weights and measures inspection program, vehicle impound, and consumer complaint investigation.

<b>Expenditures/FTE</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Revenue and Consumer Protection	2,306,352	2,348,202	3,376,751	3,491,953
Full-time Equivalents Total	8.50	23.00	30.00	30.00

### Seattle Animal Shelter Budget Control Level

The purpose of the Seattle Animal Shelter Budget Control Level is to provide animal care, enforcement, and spay and neuter services in Seattle to control pet overpopulation and foster public safety. The Shelter also provides volunteer and foster care programs which enables the citizens of Seattle to donate both time and resources and engage in activities which promote animal welfare in Seattle.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Seattle Animal Shelter	2,972,896	3,037,926	3,255,553	3,349,394
<b>Total</b>	<b>2,972,896</b>	<b>3,037,926</b>	<b>3,255,553</b>	<b>3,349,394</b>
Full-time Equivalents Total*	32.50	32.00	33.00	33.00

*\* 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 and Administrative Service

### Technical Services Budget Control Level

The purpose of the Technical Services Budget Control Level is to plan and administer FAS' Capital Improvement Program. This division attempts to ensure that the City develops high-quality and environmentally sustainable capital facilities for City staff and functions.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Capital Development and Construction Management	2,619,159	2,945,347	3,074,966	3,162,235
<b>Total</b>	<b>2,619,159</b>	<b>2,945,347</b>	<b>3,074,966</b>	<b>3,162,235</b>
Full-time Equivalents Total*	21.00	21.00	21.00	21.00

\* 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 Technical Services Budget Control Level:*

#### **Capital Development and Construction Management Program**

The purpose of the Capital Development and Construction Management Program is to provide for the design, construction, commission, and initial departmental occupancy of many City facilities. Functions include environmental design, space planning, and project planning and management in support of the FAS Capital Improvement Program. This program also includes the Fire Facilities and Emergency Response Levy, asset preservation and renovation projects, and other major development projects.

<b>Expenditures/FTE</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Capital Development and Construction Management	2,619,159	2,945,347	3,074,966	3,162,235
Full-time Equivalents Total	21.00	21.00	21.00	21.00

### **Finance and Administrative Services Fund Table**

#### Finance and Administrative Services Fund (50300)

	<b>2011 Actuals</b>	<b>2012 Adopted</b>	<b>2012 Revised</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
<b>Beginning Fund Balance</b>	<b>12,186,152</b>	<b>19,610,301</b>	<b>19,610,301</b>	<b>13,153,682</b>	<b>9,502,478</b>
Plus: Actual and Estimated Revenues	143,365,237	148,270,619	148,776,506	154,545,736	158,189,683
Plus: Inter-fund Transfers		3,500,000	3,500,000	3,500,000	3,500,000
Less: Actual and Budgeted Expenditures	135,229,087	153,503,883	154,758,125	158,196,940	161,770,487
Less: Capital Improvements		3,500,000	3,500,000	3,500,000	3,500,000
<b>Ending Fund Balance</b>	<b>20,322,301</b>	<b>14,377,037</b>	<b>13,628,682</b>	<b>9,502,478</b>	<b>5,921,674</b>
Working Capital - Fleets	712,000	475,000	475,000		
<b>Total Reserves</b>	<b>712,000</b>	<b>475,000</b>	<b>475,000</b>		
<b>Ending Unreserved Fund Balance</b>	<b>19,610,301</b>	<b>13,902,037</b>	<b>13,153,682</b>	<b>9,502,478</b>	<b>5,921,674</b>

# Department of Finance and Administrative Service

## Capital Improvement Program Highlights

The 2003 Fire Facilities and Emergency Response Levy Program (FFERP) is a 9-year \$167 million property tax levy that voters approved in November 2003. In 2013 FAS will continue to execute the Fire Facilities Levy Program with the construction of eleven neighborhood fire stations and begin or continue design on five stations.

The Asset Preservation Program preserves and extends the useful life and operational capacity of existing FAS-managed facilities, and is funded by facility space rent paid by City departments. Examples of 2013-2014 projects planned include replacing aged and failing systems at the Animal Shelter including rebuilding pumps, installing new heaters and plumbing, and replacing electrical panels. Drainage improvements, lighting, and HVAC improvements are planned for the Airport Way Center complex building D and E. The Seattle Municipal Tower will continue in the second year of a 5-year weatherization program which includes a comprehensive wet seal replacement for the aluminum glass framing system at the sloped glass roof.

FAS coordination of Citywide work continues with City departments on facility improvements related to improving accessibility, as is consistent with the Americans with Disabilities Act (ADA). Funding in 2013-2014 has been included for a position to continue assisting departments track ADA improvement projects. FAS conducted a Citywide prioritization process to allocate \$3 million in 2013 for ADA improvements among the four implementing departments: Parks and Recreation, Seattle Center, Seattle Public Library, and FAS. Funding of \$626,000 is appropriated in the FAS CIP to fund ADA improvements to update or modify various FAS facilities that focus on public access at FAS owned buildings including the Seattle Justice Center, City Hall, Police Facilities and Seattle Municipal Tower.

Regulatory compliance in City fire stations will continue to be addressed through the capital project for enhanced fire resistance for sleeping quarters in fire stations.

New projects added to the FAS CIP included:

### **North Precinct**

This project in 2013-2014 funds the due diligence and land acquisition for a new North Precinct facility from which the Seattle Police Department will serve the north end of the city. Conceptual planning considers replacing the existing facility with a new 60,000 square foot facility at a different location, adding approximately 43,000 square feet of precinct space, including holding cells and locker rooms, and a parking structure. Future project work includes, but is not limited to, verifying operational programming, building design, permitting and construction.

### **Airport Way Building Envelope Replacement**

Airport Way Center Building A will receive a full envelope replacement that will upgrade the exterior of the building, replace windows and assemblies which are seriously failing. The major maintenance improvements will permanently prevent water intrusion and curtail further interior damage. Additional \$500,000 funding provided by the 2012 Washington State Energy Efficiency Grant expands the scope of the project to include exterior cladding replacement and mechanical improvements which lower the facilities energy consumption.

### **Public Safety Facilities - Police Harbor Patrol Bulkhead and HVAC and East Precinct**

Two projects are funded which replace the failing bulkhead that serves the SPD Harbor Patrol facility and install a new mechanical system for the Harbor Patrol facility. Design is funded in 2014 with permitting and construction to begin in 2015 for the new bulkhead. This project will replace the existing bulkhead and address all planning and environmental permitting requirements as identified in the 2010 engineering study. The new mechanical system will include new equipment, ducts and controls. Security and telecommunication upgrades are planned at the East Precinct.

### **Charles Street Shops and Yards Facility Improvements**

Two major maintenance projects are planned for 2013-2014 to address failing systems at separate facilities: a roof replacement and structural repair at the Charles Street Materials Test Lab and a domestic water galvanized piping replacement at Charles Street 805 Building.

# Department of Finance and Administrative Service

## MOB Building Improvements

This project provides critical, non-roof repairs at five of the City's Mutual and Offsetting Benefit (MOB) buildings. Work includes but is not limited to HVAC replacement and upgrades, electrical system replacement and upgrades, and plumbing replacement and upgrades at specific facilities.

## Information Technology

FAS plans two major information technology projects. The Summit Upgrade/FinMAP project upgrades the City's financial management system, Summit and includes major standardization and redesign of the City's accounting structure. The Multi-City Tax Portal Project implements a multi-city business and occupation license and tax filing portal, allowing all businesses operating in multiple cities to register for a business license, file business taxes and make tax payments for multiple cities in one location.

Additional information on FAS' CIP can be found in the 2013-2018 Proposed CIP online here:

<http://www.seattle.gov/financedepartment/1318proposedcip/default.htm>

## Capital Improvement Program Appropriation

Budget Control Level	2013 Proposed	2014 Proposed
<b>ADA Improvements - FAS: A1ADA</b>		
Cumulative Reserve Subfund - REET I Subaccount (00163)	625,714	0
<b>Subtotal</b>	<b>625,714</b>	<b>0</b>
<b>Asset Preservation - Civic Core: A1AP1</b>		
Cumulative Reserve Subfund, Asset Preservation Subaccount - Fleets and Facilities (00168)	1,100,000	800,000
<b>Subtotal</b>	<b>1,100,000</b>	<b>800,000</b>
<b>Asset Preservation - Public Safety Facilities: A1AP6</b>		
Cumulative Reserve Subfund, Asset Preservation Subaccount - Fleets and Facilities (00168)	600,000	400,000
<b>Subtotal</b>	<b>600,000</b>	<b>400,000</b>
<b>Asset Preservation - Seattle Municipal Tower: A1AP2</b>		
Cumulative Reserve Subfund, Asset Preservation Subaccount - Fleets and Facilities (00168)	1,500,000	1,800,000
<b>Subtotal</b>	<b>1,500,000</b>	<b>1,800,000</b>
<b>Asset Preservation - Shops and Yards: A1AP4</b>		
Cumulative Reserve Subfund, Asset Preservation Subaccount - Fleets and Facilities (00168)	600,000	800,000
<b>Subtotal</b>	<b>600,000</b>	<b>800,000</b>
<b>Garden of Remembrance: A51647</b>		
Cumulative Reserve Subfund - Unrestricted Subaccount (00164)	23,897	24,781
<b>Subtotal</b>	<b>23,897</b>	<b>24,781</b>
<b>General Government Facilities - Community-Based: A1GM2</b>		
Cumulative Reserve Subfund - REET I Subaccount (00163)	312,000	0

## Department of Finance and Administrative Service

<b>Subtotal</b>	<b>312,000</b>	<b>0</b>
<b>General Government Facilities - General: A1GM1</b>		
Cumulative Reserve Subfund - REET I Subaccount (00163)	136,000	141,000
Finance and Administrative Services Fund (50300)	3,500,000	3,500,000
<b>Subtotal</b>	<b>3,636,000</b>	<b>3,641,000</b>
<b>Information Technology: A1IT</b>		
2013 Multipurpose LTGO Bond Fund	12,518,000	1,000,000
2014 Multipurpose LTGO Bond Fund	0	7,038,000
<b>Subtotal</b>	<b>12,518,000</b>	<b>8,038,000</b>
<b>Maintenance Shops and Yards: A1MSY</b>		
Cumulative Reserve Subfund - REET I Subaccount (00163)	1,370,000	2,552,000
<b>Subtotal</b>	<b>1,370,000</b>	<b>2,552,000</b>
<b>Neighborhood Fire Stations: A1FL1</b>		
2003 Fire Facilities Subfund (34440)	1,248,079	0
2013 Multipurpose LTGO Bond Fund	12,725,518	0
2014 Multipurpose LTGO Bond Fund	0	8,649,947
Cumulative Reserve Subfund - REET I Subaccount (00163)	6,706,921	1,880,000
<b>Subtotal</b>	<b>20,680,518</b>	<b>10,529,947</b>
<b>Public Safety Facilities - Police: A1PS1</b>		
2013 Multipurpose LTGO Bond Fund	750,000	0
2014 Multipurpose LTGO Bond Fund	0	17,500,000
Cumulative Reserve Subfund - REET I Subaccount (00163)	420,000	365,000
<b>Subtotal</b>	<b>1,170,000</b>	<b>17,865,000</b>
<b>Total Capital Improvement Program Appropriation</b>	<b>44,136,129</b>	<b>46,450,728</b>



# Finance General

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Beth Goldberg, Director  
Department Information Line: (206) 615-1962



Finance General

## Finance General Overview

The purpose of Finance General is to allocate General Subfund resources in the form of appropriations to reserve and bond redemption funds, City department operating funds, and certain programs for which there is desire for Council, Mayor, or City Budget Office oversight.

## Budget Overview

Finance General is organized to pay for ongoing City costs, subsidize the operations of City departments, and provide contributions to outside organizations. It is also an area to hold appropriations temporarily until the appropriate managing department is determined, or act as a contingency reserve to respond to unpredictable situations, or cover costs that vary with economic conditions.

The 2013-2014 Proposed Budget modifies existing programs to reflect different funding approaches, adds new programs to support outside organizations, and adjust recurring appropriations with updated cost information.

### Strengthening Financial Sustainability and Financial Reporting Capabilities

The 2013-2014 Proposed Budget allocates funds needed to ensure financial sustainability. This is critical to maintaining the City's bond rating and low cost of borrowing, in addition to positioning the City to be able to respond to unanticipated changes in economic conditions or address other emerging issues that may arise in coming years. In particular, General Funds are provided to bridge a funding gap for the City-owned Pacific Place Parking Garage. Additionally, staff will work with community partners to identify a long-term financially sustainable approach to the operations of Langston Hughes Community Arts Center. Funding is transferred from Finance General to the Garage Fund and to the Office of Arts and Cultural Affairs, respectively, for these purposes.

Funds are provided to continue to support administrative costs and financial reporting requirements of the Seattle Indian Service Commission and also for preliminary work on the planned redevelopment the City's central budget systems.

### Investments in Public Safety, Business Districts and Neighborhood Revitalization Efforts

The 2013-2014 Proposed Budget establishes a reserve to fund actions necessary to comply with the Department of Justice settlement agreement with the City of Seattle. This reserve will allow the City to quickly make available spending authority to implement an action agenda once a monitor and Police Commission are in place.

## Finance General

Funds are also set aside to support investments in business districts as well as the revitalization of the Yesler Terrace neighborhood. Funding also is included to continue work on the proposed SODO arena project, which will involve continued partnership with a variety of stakeholders. These costs would be reimbursed by the developer.

Through strategic investments these areas and others identified in other departments, the 2013-2014 Proposed Budget targets key priorities with limited resources available.

### **Addressing Equal Federal Tax Treatment for City Employees**

A reserve of \$185,000 has been set up to address inequities in federal tax policies for same-sex married couples that work for the City of Seattle. While the City does not have the ability to directly alter federal tax law, the City continues to promote equality and strives for just and equal treatment of all people, both in the provision of public services as well as through City employment practices.

### **Energy Sustainability Initiatives**

Additional changes are reflected in the Finance General budget pertaining to energy initiatives, including a reduction of costs for the provision of streetlights driven by a recent switch to more energy efficient lighting. Funding is also proposed to support enhancing energy capacity in First Hill by partnering on a private district energy project.

Details on the above projects can be found below in the incremental change descriptions as well as in the relevant department sections.

## Finance General

### Incremental Budget Changes

#### Finance General

	2013		2014	
	Budget	FTE	Budget	FTE
<b>Total 2012 Adopted Budget</b>	<b>\$ 380,741,122</b>	<b>0.00</b>	<b>\$ 380,741,122</b>	<b>0.00</b>
<b>Baseline Changes</b>				
Citywide Adjustments for Standard Cost Changes	-\$ 5,861,951	0.00	-\$ 1,140,387	0.00
<b>Proposed Policy Changes</b>				
Budget System Planning	\$ 200,000	0.00	\$ 200,000	0.00
Department of Justice Public Safety Reserve	\$ 4,587,500	0.00	\$ 4,591,200	0.00
District Energy Feasibility Study	\$ 175,000	0.00	\$ 0	0.00
Efficiency Improvements for Streetlights	-\$ 462,813	0.00	-\$ 1,942,601	0.00
Fire Station 39 Housing Reserve	\$ 0	0.00	\$ 950,000	0.00
Langston Hughes Performing Arts Center	\$ 270,000	0.00	\$ 275,000	0.00
Neighborhood Business District Capital Projects	\$ 500,000	0.00	\$ 500,000	0.00
Pacific Place Garage Support	\$ 2,813,058	0.00	\$ 2,031,760	0.00
Same-Sex Marriage Inequitable Tax Treatment Reserve	\$ 185,000	0.00	\$ 185,000	0.00
Seattle Indian Service Commission	\$ 50,000	0.00	\$ 0	0.00
Seattle Arena Proposal Work	\$ 1,000,000	0.00	\$ 0	0.00
Yesler Terrace Project Support	\$ 150,000	0.00	\$ 0	0.00
<b>Proposed Technical Changes</b>				
Final Citywide Adjustments for Standard Cost Changes	\$ 3,459,006	0.00	\$ 16,536,663	0.00
<b>Total Incremental Changes</b>	<b>\$ 7,064,800</b>	<b>0.00</b>	<b>\$ 22,186,635</b>	<b>0.00</b>
<b>2013 - 2014 Proposed Budget</b>	<b>\$ 387,805,922</b>	<b>0.00</b>	<b>\$ 402,927,756</b>	<b>0.00</b>

# Finance General

## Description of Incremental Budget Changes

### Baseline Changes

#### **Citywide Adjustments for Standard Cost Changes - (\$5,861,951)**

Citywide technical adjustments made in the "Baseline Phase" include inflationary and program scope changes, movement of budgets to departments, and elimination of contingency resources. These adjustments reflect initial assumptions about these costs and inflators early in the budget process. One time funding included in the 2012 Adopted Budget is also removed for 2013 and 2014. Some notable changes include the removal of one-time 2012 funding of \$350,000 for 3rd Avenue capital improvements and \$8.1 million related to the Rubble Yard sale proceeds. Other one-time 2012 funding that is removed for 2013 and 2014 includes the License and Tax Portal Reserve of \$1.2 million, which is funded now through debt financing.

### Proposed Policy Changes

#### **Budget System Planning - \$200,000**

\$200,000 has been reserved in 2013 and in 2014 to support the standardization of the City's budgeting systems in parallel with upgrades to the City's financial systems. This is necessary to ensure that department budget systems are consistent and comply with the City-wide financial system requirements. In addition, current systems are also near the end of their useful lives and require replacement.

#### **Department of Justice Public Safety Reserve - \$4,587,500**

In July 2012, the Department of Justice and the City of Seattle reached a comprehensive settlement agreement and memorandum of understanding (MOU) to ensure that police services are delivered in a manner that fully complies with the Constitution and laws of the United States. The structure of the Settlement Agreement and MOU and the timelines contained therein are such that City officials will not know precisely what resources are needed until a monitor and a Police Commission have been appointed. As such, the 2013-2014 Proposed Budget contains a \$4,400,000 reserve for implementing both the Settlement Agreement and the MOU. These funds will be appropriated out of the reserve once the monitor and Police Commission are in place and there is more clarity on the specific steps required to implement the Settlement Agreement and the MOU.

Additional details regarding the settlement agreement and MOU requirements may be found in the Seattle Police Department budget book section.

#### **District Energy Feasibility Study - \$175,000**

\$175,000 is appropriated in Finance General for possible reimbursement for a study on the feasibility of district energy expansion on First Hill. The study will analyze grade feasibility of the potential to serve the redeveloped Yesler Terrace and First Hill hospitals with a district energy system, as well as explore opportunities for service to other new development on First Hill. The City hopes the feasibility analysis will result in the development of a modern district energy system on First Hill that supports renewable and alternative fuels, provides economic benefit to Seattle through the use of local resources, and meets the energy needs of the key First Hill stakeholders - Harborview Hospital, Virginia Mason Hospital, Swedish Hospital, Seattle Housing Authority and Seattle Steam.

#### **Efficiency Improvements for Streetlights - (\$462,813)**

City Light began replacing residential streetlights with energy-efficient Light Emitting Diode (LED) streetlights in 2010, and will complete the conversion of the residential streetlight system in 2014. The new LED streetlights require less energy and on-going maintenance, and will reduce the City's streetlight bill by \$463,000 in 2013 and \$1.9 million in 2014.

# Finance General

## **Fire Station 39 Housing Reserve**

This item reserves \$950,000 in 2014 to support one-time capital costs associated with the development of the ground floor space of the former Fire Station 39 building, located in the Lake City neighborhood. This site is a City owned facility, but is being redeveloped as it is excess to the needs of the Seattle Fire Department. The building has recently been used as a temporary cold weather shelter, and in 2013, the City is involving community stakeholders in process to determine the future use of this building.

## **Langston Hughes Performing Arts Center - \$270,000**

This action supports the transfer of staff and other costs associated with operating the Langston Hughes Performing Art Center (LHPAC) from the Department of Parks and Recreation (DPR) to the Office of Arts and Cultural Affairs (OACA). Funding for the program will come primarily from the Admission Tax. Other funding includes \$71,000 from LHPAC revenues for facility rentals, and \$270,000 from the General Fund (reflected here in Finance General). To capitalize on efficiencies, Parks will retain ownership of the facility and will continue to provide for its maintenance.

This transfer aligns with the mission of OACA and fits the purview of the Admission Tax, to fund "arts-related programs and one-time capital expenditures that keep artists living, working, and creatively challenged in Seattle." In 2011 and 2012, OACA provided funding for LHPAC via OACA's portion of the Admission Tax. By transferring the facility, OACA will be able to manage LHPAC and incorporate the LHPAC budget into the arts funding structure. OACA will also be working directly with LHPAC over the next two years to develop a long-term self-sustaining financial strategy for the center.

## **Neighborhood Business District Capital Projects - \$500,000**

Under a new program proposed for 2013-2014, business districts with parking meters can apply for capital improvement grant funding through the Office of Economic Development (OED) "Only in Seattle" program to enhance their streetscapes and the pedestrian environment. Examples of eligible projects could include streetscape and parking improvements, directional signage, lighting, and drainage. Grant applications will be reviewed by an interdepartmental panel including OED, Seattle Department of Transportation, Department of Planning and Development, Parks and Recreation, and the Department of Neighborhoods. Grants will be evaluated based on the following criteria:

- project enhancement of the business district
- project need and potential impact
- engagement of business district stakeholders
- project prioritization in an existing neighborhood plan
- project completion of initial design and engineering work

## **Pacific Place Garage Support - \$2,813,058**

Consistent with the City's commitment to conservative financial management practices, the 2013-2014 Proposed Budget allocates an average of \$2.4 million annually from the General Fund in order to cover the Pacific Place Garage Fund's annual operating shortfall. Absent this financial injection, the Garage Fund's financial position would decline without a clear path to financial stability. Please see the Parking Garage Operations Fund budget section for additional detail.

## **Same-Sex Marriage Inequitable Tax Treatment Reserve - \$185,000**

Employees do not have to pay federal income taxes on City-sponsored health coverage for their opposite sex spouses. However, employees in same-sex marriages are required by the Internal Revenue Code (IRC) to pay income taxes on the City-paid portion of the partner's health coverage (so called "imputed income"). This inequitable tax on imputed income is a consequence of the federal Defense of Marriage Act (DOMA) effect on the IRC. The City wishes to mitigate this differential tax treatment and provide for greater equality in the benefits offered to all employees, consistent with its policy not to discriminate on the basis of sexual orientation. This reserve provides funding to rectify this inequality.

# Finance General

## **Seattle Indian Service Commission - \$50,000**

Additional \$50,000 is budgeted in 2013 to cover bookkeeping and accounting services and related emergency repairs associated with the Pearl Warren Building, which is owned by the Seattle Indian Services Commission, a City-chartered Public Development Authority.

## **Seattle Arena Proposal Work - \$1,000,000**

Finance General includes \$1 million in funding in 2013 to support further development of transaction documents related to the SODO arena proposal. This proposal, transmitted by the Mayor to the City Council in May 2012, represents a partnership between the City, King County, and ArenaCo (a group of investors proposing to develop and operate the new arena). As part of the proposal, ArenaCo has agreed to reimburse the City and County for costs associated with development, financial and legal work on the project, and those revenues are captured in revenue estimates for the General Fund. This \$1 million represents an initial estimate of costs anticipated in 2013 related to this work. The City Council is currently considering the Mayor's arena proposal as this document goes to print.

## **Yesler Terrace Project Support - \$150,000**

The redevelopment of Yesler Terrace is the one of the City's most significant community redevelopment/revitalization project in recent memory. This funding will leverage community partnerships for the redevelopment and revitalization of Yesler Terrace and the surrounding neighborhood through support of the Center for Community Leadership. The Seattle Foundation is creating this virtual Center to facilitate opportunities for cross-sector, multi-issue problem solving and engage and build local leadership in communities most impacted by poverty and racial disparities. The City will support the Center to convene key institutional stakeholders, philanthropic organizations, private entities, nonprofits, community development financial intermediaries and the community around a common vision and agenda for the neighborhood.

## **Proposed Technical Changes**

### **Final Citywide Adjustments for Standard Cost Changes - \$3,459,006**

Citywide technical adjustments made in the "Proposed Phase" reflect changes due to inflation, central cost allocations, retirement, health care, workers' compensation, and unemployment costs. These adjustments typically reflect updates to preliminary cost assumptions established in the "Baseline Phase."

# Finance General

## Expenditure Overview

Appropriations	Summit Code	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
<b>Appropriation to General Fund Subfunds and Special Funds Budget Control</b>					
Cumulative Reserve Subfund - Revenue Stabilization Account		750,000	1,950,000	4,058,000	4,226,000
Emergency Subfund		0	385,000	0	889,000
Finance and Administrative Services Fund		19,682,762	21,332,015	21,542,807	22,803,990
Garage Fund Loan Repayment		0	0	2,813,058	2,031,760
General Bond Interest/Redemption Fund		11,116,422	13,091,563	13,694,500	16,772,663
Housing Operating Fund		0	39,472	0	0
Information Technology Fund		3,921,162	4,149,718	4,609,011	4,977,292
Insurance		3,797,977	4,961,250	5,172,338	5,430,955
Judgment/Claims Subfund		1,191,062	1,191,062	648,080	758,323
Arts Account - Admission Tax for Art Programs		4,176,143	4,967,327	4,668,229	4,714,449
Cumulative Reserve Subfund - Capital Projects Account		0	500,000	500,000	500,000
<b>Total</b>	<b>2QA00</b>	<b>44,635,528</b>	<b>52,567,407</b>	<b>57,706,023</b>	<b>63,104,432</b>
<b>Reserves Budget Control</b>					
3rd Ave Initiative Capital Improvements		0	350,000	0	0
Budget System Reserve		0	0	200,000	200,000
Department of Justice Settlement Agreement Public Safety Reserve		0	0	4,587,500	4,591,200
District Energy Feasibility Study		0	0	175,000	0
Fire Station 39 Housing Services		0	0	0	950,000
Food Policy Work Coordination		0	0	0	0
Get Engaged: City Boards and Commissions		31,334	31,961	32,696	33,416
License and Tax Portal Reserve		0	1,200,000	0	0
Neighborhood Business District Capital Projects		0	0	500,000	500,000
Paid Sick Leave Reserve		0	150,000	150,000	150,000
Recurring Reserve for Portable Art Rental and Maintenance		256,743	264,186	275,536	283,802
Recurring Reserve-Dues/Memberships		13,824	0	0	0
Recurring Reserve-Election Expense		788,654	700,000	950,000	700,000
Recurring Reserve-Fire Hydrants		6,605,794	7,000,089	7,531,213	8,142,525
Recurring Reserve-Industrial Insurance Pensions Payout		1,519,719	2,500,000	2,000,000	2,000,000

## Finance General

Recurring Reserve-Office of Professional Accountability Auditor	132,073	145,800	153,090	160,745
Recurring Reserve-Pacific Science Center Lease Reserve	120,000	120,000	120,000	120,000
Recurring Reserve-Puget Sound Clean Air Agency	397,964	408,493	420,000	430,000
Recurring Reserve-Shooting Review Board Civilian	0	5,000	5,000	5,000
Recurring Reserve-State Examiner	724,111	746,971	750,000	768,750
Recurring Reserve-Street Lighting	11,779,761	12,250,273	12,363,223	11,486,259
Recurring Reserve-Transit Pass Subsidy	2,946,039	3,100,000	3,225,000	3,555,000
Recurring Reserve-Voter Registration	968,724	988,380	995,000	995,000
Retirement Benefit Study	124,000	0	0	0
Same-Sex Marriage Inequitable Tax Treatment Reserve	0	0	185,000	185,000
Seattle Arts and Culture Capital Award	286,109	0	0	0
Seattle Indian Services Commission	85,299	50,000	50,000	0
SODO Arena Proposal	0	0	1,000,000	0
Tax Refund Interest Reserve	539,918	497,000	500,000	500,000
Transportation Reserve from Rubble Yard Proceeds	0	8,100,000	0	0
University of Washington Reserve	0	500,000	500,000	500,000
Yesler Terrace Project Support	0	0	150,000	0
<b>Total</b>	<b>2QD00</b>	<b>27,320,065</b>	<b>39,108,153</b>	<b>36,818,259</b>
<b>Support to Community Development Budget Control</b>				
Sound Transit Local Contribution - Sales Tax Offset	749,447	0	0	0
Wing Luke Asian Museum	28,921	0	0	0
<b>Total</b>	<b>2QF00</b>	<b>778,368</b>	<b>0</b>	<b>0</b>
<b>Support to Operating Funds Budget Control</b>				
Drainage and Wastewater Fund	1,098,502	1,205,361	1,139,072	1,166,569
Firefighters Pension Fund	17,758,533	18,874,972	18,272,657	18,060,245
Housing Operating Fund-Supp to Op Fund	504,875	0	0	0
Human Services Operating Fund	52,311,143	54,352,239	57,469,360	59,532,757
Library Fund	46,857,207	49,324,620	48,044,387	50,131,066
Low Income Housing Fund	0	46,462	0	0
Neighborhood Matching Subfund	2,851,396	2,779,022	2,991,284	3,066,138
Parks and Recreation Fund	78,129,409	81,463,580	85,480,087	90,966,676
Planning and Development Fund	8,880,445	9,195,693	9,248,550	9,546,756
Police Relief and Pension Fund	22,251,490	21,312,128	18,987,071	18,557,893
Seattle Center Fund	12,919,814	12,875,760	12,980,658	13,466,114

## Finance General

Solid Waste Fund		40,293	0	0	0
Transportation Fund		38,624,237	37,635,726	38,668,515	39,072,415
Water Fund		41,514	0	0	0
<b>Total</b>	<b>2QE00</b>	<b>282,268,858</b>	<b>289,065,562</b>	<b>293,281,640</b>	<b>303,566,628</b>
<b>Department Total</b>		<b>355,002,819</b>	<b>380,741,122</b>	<b>387,805,922</b>	<b>402,927,756</b>
<b>Department Full-time Equivalents Total*</b>		<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

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

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

<b>Appropriation to General Fund Subfunds and Special Funds Budget Control Level</b>				
The purpose of the Appropriation to General Fund Subfunds and Special Funds Budget Control Level is to appropriate General Subfund resources, several of which are based upon the performance of certain City revenues, to bond redemption or special purpose funds. These appropriations are implemented as operating transfers to the funds, subfunds, or accounts they support.				
<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Arts Account - Admission Tax for Art Programs	4,176,143	4,967,327	4,668,229	4,714,449
Cumulative Reserve Subfund - Capital Projects Account	0	500,000	500,000	500,000
Cumulative Reserve Subfund - Revenue Stabilization Account	750,000	1,950,000	4,058,000	4,226,000
Emergency Subfund	0	385,000	0	889,000
Finance and Administrative Services Fund	19,682,762	21,332,015	21,542,807	22,803,990
Garage Fund Loan Repayment	0	0	2,813,058	2,031,760
General Bond Interest/Redemption Fund	11,116,422	13,091,563	13,694,500	16,772,663
Housing Operating Fund	0	39,472	0	0
Information Technology Fund	3,921,162	4,149,718	4,609,011	4,977,292
Insurance	3,797,977	4,961,250	5,172,338	5,430,955
Judgment/Claims Subfund	1,191,062	1,191,062	648,080	758,323
<b>Total</b>	<b>44,635,528</b>	<b>52,567,407</b>	<b>57,706,023</b>	<b>63,104,432</b>

## Finance General

### Reserves Budget Control Level

The purpose of the Reserves Budget Control Level is to provide appropriation authority to those programs for which there is no single appropriate managing department, or for which there is Council and/or Mayor desire for additional budget oversight.

Program Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
3rd Ave Initiative Capital Improvements	0	350,000	0	0
Budget System Reserve	0	0	200,000	200,000
Department of Justice Settlement Agreement Public Safety Reserve	0	0	4,587,500	4,591,200
District Energy Feasibility Study	0	0	175,000	0
Fire Station 39 Housing Services	0	0	0	950,000
Food Policy Work Coordination	0	0	0	0
Get Engaged: City Boards and Commissions	31,334	31,961	32,696	33,416
License and Tax Portal Reserve	0	1,200,000	0	0
Neighborhood Business District Capital Projects	0	0	500,000	500,000
Paid Sick Leave Reserve	0	150,000	150,000	150,000
Recurring Reserve for Portable Art Rental and Maintenance	256,743	264,186	275,536	283,802
Recurring Reserve-Dues/Memberships	13,824	0	0	0
Recurring Reserve-Election Expense	788,654	700,000	950,000	700,000
Recurring Reserve-Fire Hydrants	6,605,794	7,000,089	7,531,213	8,142,525
Recurring Reserve-Industrial Insurance Pensions Payout	1,519,719	2,500,000	2,000,000	2,000,000
Recurring Reserve-Office of Professional Accountability Auditor	132,073	145,800	153,090	160,745
Recurring Reserve-Pacific Science Center Lease Reserve	120,000	120,000	120,000	120,000
Recurring Reserve-Puget Sound Clean Air Agency	397,964	408,493	420,000	430,000
Recurring Reserve-Shooting Review Board Civilian	0	5,000	5,000	5,000
Recurring Reserve-State Examiner	724,111	746,971	750,000	768,750
Recurring Reserve-Street Lighting	11,779,761	12,250,273	12,363,223	11,486,259
Recurring Reserve-Transit Pass Subsidy	2,946,039	3,100,000	3,225,000	3,555,000
Recurring Reserve-Voter Registration	968,724	988,380	995,000	995,000

## Finance General

### **Reserves Budget Control Level (cont.)**

The purpose of the Reserves Budget Control Level is to provide appropriation authority to those programs for which there is no single appropriate managing department, or for which there is Council and/or Mayor desire for additional budget oversight.

Retirement Benefit Study	124,000	0	0	0
Same-Sex Marriage Inequitable Tax Treatment Reserve	0	0	185,000	185,000
Seattle Arts and Culture Capital Award	286,109	0	0	0
Seattle Indian Services Commission	85,299	50,000	50,000	0
SODO Arena Proposal	0	0	1,000,000	0
Tax Refund Interest Reserve	539,918	497,000	500,000	500,000
Transportation Reserve from Rubble Yard Proceeds	0	8,100,000	0	0
University of Washington Reserve	0	500,000	500,000	500,000
Yesler Terrace Project Support	0	0	150,000	0
<b>Total</b>	<b>27,320,065</b>	<b>39,108,153</b>	<b>36,818,259</b>	<b>36,256,696</b>

### **Support to Community Development Budget Control Level**

The purpose of the Support to Community Development Budget Control Level is to appropriate General Subfund resources for services or capital projects that are not directly administered by a City department.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Sound Transit Local Contribution - Sales Tax Offset	749,447	0	0	0
Wing Luke Asian Museum	28,921	0	0	0
<b>Total</b>	<b>778,368</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Finance General

### Support to Operating Funds Budget Control Level

The purpose of the Support to Operating Funds Budget Control Level is to appropriate General Subfund resources to support the operating costs of line departments that have their own operating funds. These appropriations are implemented as operating transfers to the funds or subfunds they support.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Drainage and Wastewater Fund	1,098,502	1,205,361	1,139,072	1,166,569
Firefighters Pension Fund	17,758,533	18,874,972	18,272,657	18,060,245
Housing Operating Fund-Supp to Op Fund	504,875	0	0	0
Human Services Operating Fund	52,311,143	54,352,239	57,469,360	59,532,757
Library Fund	46,857,207	49,324,620	48,044,387	50,131,066
Low Income Housing Fund	0	46,462	0	0
Neighborhood Matching Subfund	2,851,396	2,779,022	2,991,284	3,066,138
Parks and Recreation Fund	78,129,409	81,463,580	85,480,087	90,966,676
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Seattle Center Fund	12,919,814	12,875,760	12,980,658	13,466,114
Solid Waste Fund	40,293	0	0	0
Transportation Fund	38,624,237	37,635,726	38,668,515	39,072,415
Water Fund	41,514	0	0	0
<b>Total</b>	<b>282,268,858</b>	<b>289,065,562</b>	<b>293,281,640</b>	<b>303,566,628</b>

# Office of Hearing Examiner

Sue Tanner, Hearing Examiner

Department Information Line: (206) 684-0521

On the Web at: <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 Department of Planning and Development. 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 provides contract hearing examiner services to other local governments as well.

The Hearing Examiner and Deputy Hearing Examiners, appointed by the Hearing Examiner, handle all pre-hearing matters, regulate the conduct of hearings, and prepare decisions and recommendations based upon the hearing record and applicable law. The Code requires all examiners to be attorneys with training and experience in administrative hearings. The Hearing Examiner also appoints an administrative analyst to oversee the administrative areas of the office, a paralegal to assist with hearings and decision preparation, and an administrative specialist to support all other office positions and provide information to the public.

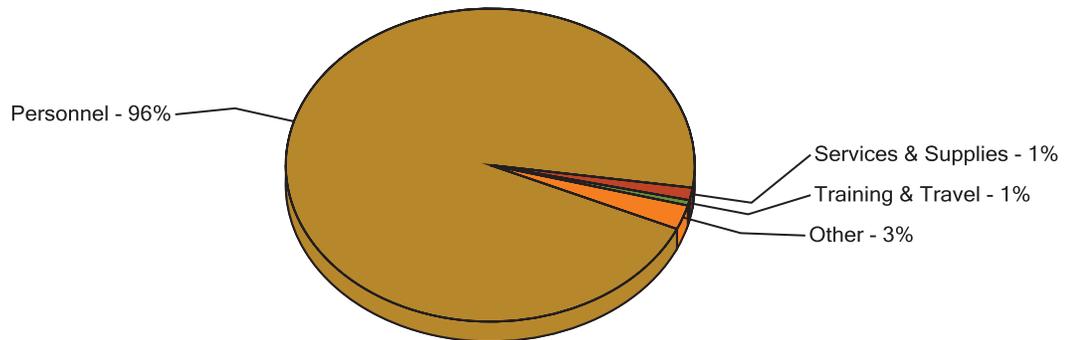
## Budget Snapshot

Department Support	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
General Fund Support	\$559,513	\$607,710	\$635,099	\$656,328
<b>Total Operations</b>	<b>\$559,513</b>	<b>\$607,710</b>	<b>\$635,099</b>	<b>\$656,328</b>
<b>Total Appropriations</b>	<b>\$559,513</b>	<b>\$607,710</b>	<b>\$635,099</b>	<b>\$656,328</b>
Full-time Equivalent Total*	4.63	4.63	4.63	4.63

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

## Office of Hearing Examiner

### 2013 Proposed Budget - Expenditure by Category



### Budget Overview

Because of its small size and essential nature, the 2013-2014 Proposed Budget does not recommend any reductions to the Hearing Examiner's budget.

## Office of Hearing Examiner

### Incremental Budget Changes

#### Office of Hearing Examiner

	2013		2014	
	Budget	FTE	Budget	FTE
<b>Total 2012 Adopted Budget</b>	<b>\$ 607,710</b>	<b>4.63</b>	<b>\$ 607,710</b>	<b>4.63</b>
<b>Baseline Changes</b>				
Citywide Adjustments for Standard Cost Changes	\$ 26,760	0.00	\$ 47,865	0.00
Retirement Payout Adjustment	-\$ 15,480	0.00	-\$ 15,789	0.00
<b>Proposed Technical Changes</b>				
Final Citywide Adjustments for Standard Cost Changes	\$ 538	0.00	\$ 971	0.00
Salary Adjustment	\$ 15,571	0.00	\$ 15,571	0.00
<b>Total Incremental Changes</b>	<b>\$ 27,389</b>	<b>0.00</b>	<b>\$ 48,618</b>	<b>0.00</b>
<b>2013 - 2014 Proposed Budget</b>	<b>\$ 635,099</b>	<b>4.63</b>	<b>\$ 656,328</b>	<b>4.63</b>

### Description of Incremental Budget Changes

#### Baseline Changes

##### **Citywide Adjustments for Standard Cost Changes - \$26,760**

Citywide technical adjustments made in the "Baseline Phase" reflect changes due to inflation, central cost allocations, retirement, health care, workers' compensation, and employment costs. These adjustments reflect initial assumptions about these costs and inflators early in the budget process.

##### **Retirement Payout Adjustment - (\$15,480)**

Remove one-time add from baseline which appropriated funds in 2012 to cover a retirement payout.

#### Proposed Technical Changes

##### **Final Citywide Adjustments for Standard Cost Changes - \$538**

Citywide technical adjustments made in the "Proposed Phase" reflect changes due to inflation, central cost allocations, retirement, health care, workers' compensation, and unemployment costs. These adjustments typically reflect updates to preliminary cost assumptions established in the "Baseline Phase."

##### **Salary Adjustment - \$15,571**

In 2012, the Hearing Examiner was reappointed to a new four-year term of office by the Council with an increased salary. To maintain the salary differential between Hearing Examiner and the Deputy Hearing Examiner, the Deputy Hearing Examiner's salary will increase in 2013. This increment of \$15,571, for both positions, is added to the 2013-2014 Proposed Budget.

## Office of Hearing Examiner

### Expenditure Overview

Appropriations	Summit Code	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Office of Hearing Examiner Budget Control Level	V1X00	559,513	607,710	635,099	656,328
<b>Department Total</b>		<b>559,513</b>	<b>607,710</b>	<b>635,099</b>	<b>656,328</b>
<b>Department Full-time Equivalents Total*</b>		<b>4.63</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.*

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

#### Office of Hearing Examiner Budget Control Level

The purpose of the Office of Hearing Examiner Budget Control Level is to conduct fair and impartial hearings in all subject areas where the Seattle Municipal Code grants authority to do so (there are currently more than 75 subject areas) and to issue decisions and recommendations consistent with applicable law.

Program Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Office of Hearing Examiner	559,513	607,710	635,099	656,328
<b>Total</b>	<b>559,513</b>	<b>607,710</b>	<b>635,099</b>	<b>656,328</b>
Full-time Equivalents Total*	4.63	4.63	4.63	4.63

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

# Immigrant and Refugee Affairs

Magdaleno Rose-Avila, Director

Department Information Line: (206)-233-3886

On the Web at <http://www.seattle.gov/council/issues/oira.htm>



Office of Immigrant  
and Refugee Affairs

## Department Overview

The purpose of the Office of Immigrant and Refugee Affairs (OIRA) is to facilitate the successful integration of immigrants and refugees into Seattle's civic, economic, and cultural life, to celebrate their diverse cultures and contributions to Seattle, and to advocate on behalf of immigrants and refugees.

OIRA works with the Immigrant and Refugee Commission, community partners, and City departments to define and achieve desired outcomes for City investments for immigrant and refugees, including setting specific measurable outcomes related to employment, economic development, public health, student achievement, citizenship, public safety and criminal justice, civic engagement, and protection of civil rights. According to the 2010 U.S. Census, immigrants comprise 17% of the City's population. It is OIRA's job to ensure that these residents are effectively connected with City services.

OIRA is dedicated to improving services and better engaging immigrant and refugee communities, in partnership with other City departments, government agencies, community organizations, and the private sector, all consistent with the City's Race and Social Justice Initiative.

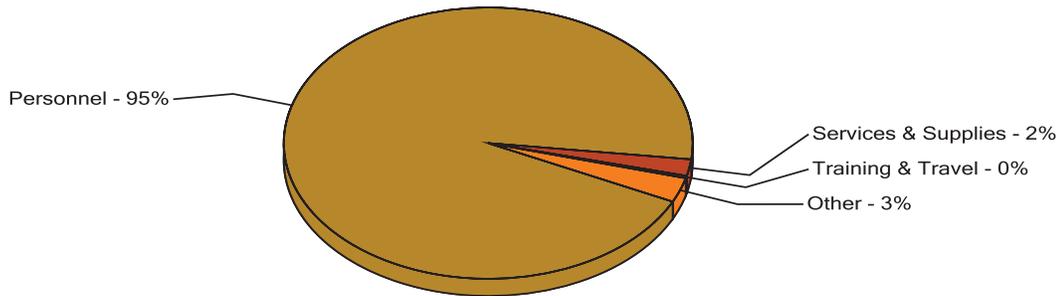
## Budget Snapshot

Department Support	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
General Fund Support	\$0	\$238,000	\$361,097	\$372,688
<b>Total Operations</b>	<b>\$0</b>	<b>\$238,000</b>	<b>\$361,097</b>	<b>\$372,688</b>
<b>Total Appropriations</b>	<b>\$0</b>	<b>\$238,000</b>	<b>\$361,097</b>	<b>\$372,688</b>
Full-time Equivalent Total*	0.00	2.00	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.

# Immigrant and Refugee Affairs

## 2013 Proposed Budget - Expenditure by Category



### Budget Overview

General Fund budget pressures in 2013 and future years require the Office of Immigrant and Refugee Affairs to work as efficiently as possible in its first full year as a City department. OIRA will review City programs to determine whether programs are effectively serving refugee and immigrant communities. OIRA will measure the effectiveness of City programs by developing and reviewing measurable outcomes related to economic development, the protection of civil rights, public safety and criminal justice, public health, and student achievement. After reviewing City programs, OIRA will work with the City, community stakeholders, and the Immigrant and Refugee Commission to develop a strategy to improve current efforts.

OIRA is currently staffed with two positions, the Director and one analyst who gathers and analyzes data. In 2013, one administrative assistant will be added to the department to allow the Director to focus on implementing the department's work plan and connecting with Seattle's diverse immigrant and refugee communities. The administrative assistant will also engage in outreach efforts to immigrant and refugee communities.

## Immigrant and Refugee Affairs

### Incremental Budget Changes

#### Immigrant and Refugee Affairs

	2013		2014	
	Budget	FTE	Budget	FTE
<b>Total 2012 Adopted Budget</b>	<b>\$ 238,000</b>	<b>2.00</b>	<b>\$ 238,000</b>	<b>2.00</b>
<b>Baseline Changes</b>				
Citywide Adjustments for Standard Cost Changes	\$ 10,405	0.00	\$ 18,721	0.00
<b>Proposed Policy Changes</b>				
Administrative Staffing Support	\$ 86,730	1.00	\$ 89,865	1.00
<b>Proposed Technical Changes</b>				
Final Citywide Adjustments for Standard Cost Changes	\$ 25,962	0.00	\$ 26,102	0.00
<b>Total Incremental Changes</b>	<b>\$ 123,097</b>	<b>1.00</b>	<b>\$ 134,688</b>	<b>1.00</b>
<b>2013 - 2014 Proposed Budget</b>	<b>\$ 361,097</b>	<b>3.00</b>	<b>\$ 372,688</b>	<b>3.00</b>

### Description of Incremental Budget Changes

#### Baseline Changes

##### **Citywide Adjustments for Standard Cost Changes - \$10,405**

Citywide technical adjustments made in the "Baseline Phase" reflect changes due to inflation, central cost allocations, retirement, health care, workers' compensation, and employment costs. These adjustments reflect initial assumptions about these costs and inflators early in the budget process.

#### Proposed Policy Changes

##### **Administrative Staffing Support - \$86,730/1.00 FTE**

A key component of the OIRA's mission is communicating with the City's immigrant and refugee communities to ensure their voices are all heard. This position will assist the Director with developing communications networks, providing outreach and support, and planning and coordinating events for diverse community groups.

#### Proposed Technical Changes

##### **Final Citywide Adjustments for Standard Cost Changes - \$25,962**

Citywide technical adjustments made in the "Proposed Phase" reflect changes due to inflation, central cost allocations, retirement, health care, workers' compensation, and unemployment costs. These adjustments typically reflect updates to preliminary cost assumptions established in the "Baseline Phase."

## Immigrant and Refugee Affairs

### Expenditure Overview

Appropriations	Summit Code	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Office of Immigrant and Refugee Affairs Budget Control Level	X1N00	0	238,000	361,097	372,688
<b>Department Total</b>		<b>0</b>	<b>238,000</b>	<b>361,097</b>	<b>372,688</b>
<b>Department Full-time Equivalents Total*</b>		<b>0.00</b>	<b>2.00</b>	<b>3.00</b>	<b>3.00</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.*

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

#### Office of Immigrant and Refugee Affairs Budget Control Level

The purpose of the Office of Immigrant and Refugee Affairs Budget Control Level is to facilitate the successful integration of immigrants and refugees into Seattle's civic, economic, and cultural life, to celebrate their diverse cultures and contributions to Seattle, and to advocate on behalf of immigrants and refugees.

Program Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Office of Immigrant and Refugee Affairs	0	238,000	361,097	372,688
<b>Total</b>	<b>0</b>	<b>238,000</b>	<b>361,097</b>	<b>372,688</b>
Full-time Equivalents Total*	0.00	2.00	3.00	3.00

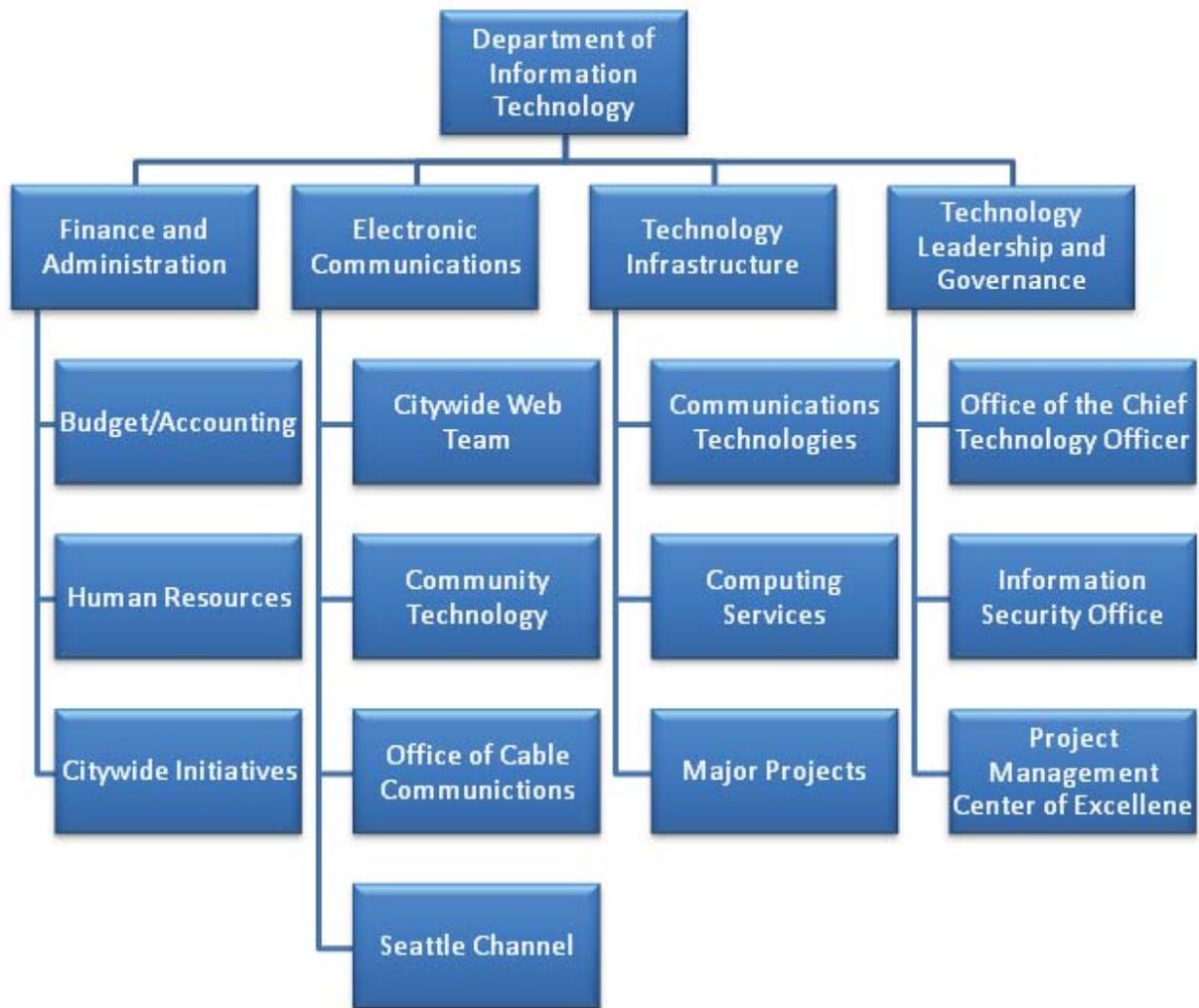
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# Department of Information Technology

Erin Devoto, Acting Director & Chief Technology Officer

Department Information Line: (206) 684-0600

On the Web at: <http://www.seattle.gov/doit/>



## Department Overview

The Department of Information Technology (DoIT) manages the City's information technology infrastructure and performs strategic information technology (IT) planning to help City government serve Seattle's residents and businesses. DoIT is organized into four major divisions: Technology Infrastructure; Technology Leadership and Governance; Office of Electronic Communications; and Finance and Administration.

The Technology Infrastructure Division builds and operates the City's communications and computing assets, which include the City's telephone, radio, and e-mail systems, and the networks and servers. The City's technology and network infrastructure, as operated by DoIT, is used by every department to deliver power,

## Department of Information Technology

water, recreation, public safety, and human services to the people of Seattle. DoIT builds and operates a wide variety of technology tools and systems supporting the missions of every department in City government. DoIT also develops, supports, and oversees systems and policies that increase the convenience and security of the City's technology systems.

The Technology Leadership and Governance Division provides strategic direction and coordination on technology for the City, including development of a multi-year strategic plan for Information Technology, development of common standards and architectures to deliver City services more efficiently and effectively, and IT project oversight and monitoring.

The Office of Electronic Communications Division oversees and operates the City's government-access television station (the Seattle Channel) and websites ([seattlechannel.org](http://seattlechannel.org) and [seattle.gov](http://seattle.gov)). Services provided include: new television and on-line programming, live Web streaming, indexed videos on demand, web-based applications, and other interactive services aimed at improving access to government services, information, and decision makers. It also oversees the City's cable television franchises with Comcast and Wave Division I and it manages the Department's community outreach programs, including the Technology Matching Fund (TMF) program, which supports community efforts to close the digital divide and encourage a technology-healthy city.

The Finance and Administrative Services Division provides finance, budget, accounting, human resources, administrative, and contracting services for DoIT.

DoIT provides services to other City Departments, who, in turn, pay DoIT for those services they purchase. As such, DoIT 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 Planning and Development, and the Retirement Fund. DoIT also receives funds from the City's Cable Television Subfund, as well as from grants, and from other government agencies external to the City (e.g., the Seattle School District, the Port of Seattle, etc.) who buy DoIT services for special projects.

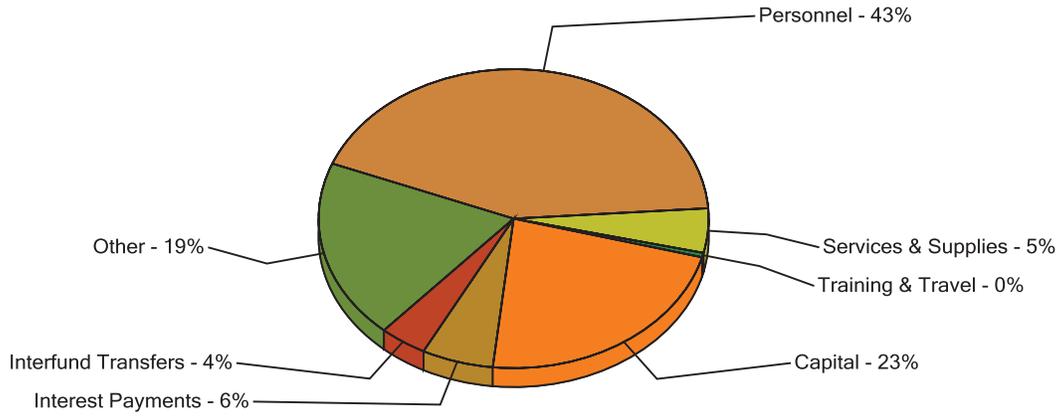
### Budget Snapshot

Department Support	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
General Fund Support	\$3,921,162	\$4,149,718	\$4,609,011	\$4,977,292
Other Funding - Operating	\$35,335,699	\$37,097,117	38,798,736	\$40,759,189
<b>Total Operations</b>	<b>\$39,256,861</b>	<b>\$41,246,835</b>	<b>\$43,407,747</b>	<b>\$45,736,481</b>
Other funding - Capital	\$7,894,492	\$7,904,486	\$12,457,424	\$41,391,152
<b>Total Appropriations</b>	<b>\$47,151,353</b>	<b>\$49,151,321</b>	<b>\$55,865,171</b>	<b>\$87,127,634</b>
Full-time Equivalent Total*	195.00	190.25	192.25	192.25

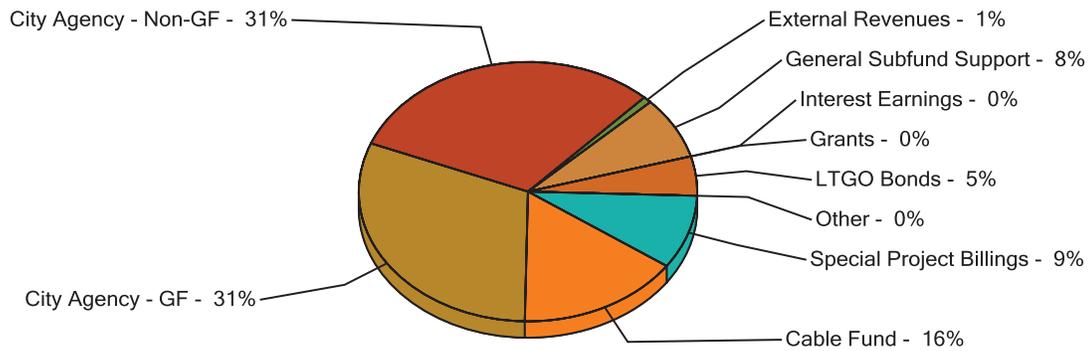
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# Department of Information Technology

## 2013 Proposed Budget - Expenditure by Category



## 2013 Proposed Budget - Revenue by Category



# Department of Information Technology

## Budget Overview

General Fund budget pressures continued into 2013 and 2014 and have required DoIT to make further budget reductions. As an internal service department, other City departments pay DoIT for the services provided. As a result all of DoIT's operating costs are billed to customer departments. In order to help close the General Fund gap, DoIT's 2013- 2014 Proposed Budget includes operating reductions that lead to decreased charges to the General Subfund and to General Subfund departments. In addition, savings will also accrue to non-General Fund supported departments.

The Department's highest priority continues to be placed on direct support for public safety services, including the ability for City government to maintain and operate core communication and computing functions during and after emergencies. Next in priority are those functions that on an ongoing basis ensure the telecommunications environment is reliable and secure. The 2013 and 2014 Proposed Budget protects these key services while making reductions to internal support functions that are not by themselves part of the Department's defined mission.

### Planning for the Next Generation Data Center

In 2012, the City identified a power transmission problem in the Seattle Municipal Tower (SMT) that directly impacted the City's primary data center, and therefore affected the business operations of all City departments. In addition, separate IT infrastructure housed in the SMT but managed by City Light and the Department of Transportation was also affected. The problem was repaired and underscored the need to upgrade the City's systems. The 2013- 2014 Proposed Budget includes funding for the next generation data center. In 2013, the City will begin planning and designing alternatives for a new data center that will provide more capacity, redundancy, and resiliency.

An engineering consultant report completed in 2012 developed preliminary options and costs for an upgraded system of data centers. The preliminary recommendation is to develop an integrated system with a new more redundant and reliable main data center, upgrade two existing City data centers to enhance redundancy and reliability, and to repurpose or decommission the remaining data centers. Preliminary estimates suggest the costs to range from \$29 million to \$49 million depending on which choices are made to meet the City's needs. The project is expected to take three years to complete. In planning for the City's future data center needs, DoIT and the Department of Finance and Administrative Services, working in conjunction with other City departments will take a holistic look at the City's comprehensive data center needs and assess the potential of serving those needs in facilities already maintained by the City. This options analysis will determine which systems should be housed in City facilities, which systems could be best accommodated in leased data center space, which applications may be candidates for cloud computing, and where the City needs redundancies to ensure reliable access to the City's business systems.

### Technology Initiatives

The City has been using Microsoft Windows as its operating system since it first deployed desktop computers. The City's 10,000 desktops and laptops are currently running Windows XP as their operating system. Starting on April 8, 2014, Microsoft will stop supporting this system. In order to ensure the lowest risk approach, protect the City's data, and deter potential security breaches, the City will upgrade the operating system to Windows 7 in 2013 for a cost of \$1.9 million. This will also allow the City to take advantage of enhanced functionality and efficiencies from the Windows 7 operating system. The majority of this project will be funded from the DoIT fund balance and the rest from a small rate increase.

The City is currently using Microsoft Exchange 2007 as its primary email system. This system was installed in 2009 and is scheduled for a hardware and software upgrade in 2014. Instead of proceeding with the scheduled upgrade, DoIT is proposing to instead upgrade to Microsoft Office 365 in 2014. Office 365 includes email calendaring, Office suite, Lync, and Sharepoint. This upgrade will allow DoIT to move City email to the cloud and will enhance functionality for the departments.

## Department of Information Technology

The City's use of wireless networking throughout the WiFi system is undergoing a major expansion as the number of access points within City buildings has increased from 30 in 2008 to 395 in 2012. In order to keep up with this increasing demand, DoIT is transferring an existing position to work exclusively on the management, maintenance, operation, and ongoing expansion of secure and reliable WiFi system.

### **Transparency / Open Government**

DoIT currently operates the NearPoint email archiving application which is used for email record preservation and the Law Department manages the eDiscovery client of the NearPoint product, which provides search functionality for email. The NearPoint product is no longer going to be supported by the vendor and the City needs to replace the existing system. In selecting a new system, the City will seek a package that will allow the City to manage the retention of electronic records in all formats, provide efficient search and delivery tools for responding to business needs, public records requests, and other legal matters, and allow direct online access to records of wide public interest. In 2013, the effort to implement a comprehensive Citywide electronic records management system will begin. A detailed plan will be developed for the replacement of the City's existing email archiving system in 2013 and in 2014 the replacement will be implemented. Additional phases expanding capabilities will follow in subsequent years.

### **Transforming How the City Does Business to Protect Funding for Core Services**

DoIT continues to examine ways it can reduce expenditures while preserving its core public safety, communication, and computing services functions. As part of this effort, the Department is proposing to eliminate purchasing smartphones for exempt City employees, but allow them to use their own personal smartphones to access City email and calendaring. In 2012, DoIT conducted a successful pilot on exempt employees using their personal smartphones for work-related phone calls using software that segregates City and personal information and provides security on the phone. The City will pay for installation and licensing of software that will allow employees to carry only one device instead of both their personal and work smartphone.

### **Asset Preservation**

DoIT does not recover the full costs of capital assets in the initial purchase year preferring instead to build the depreciation of those assets into its revenue collections model over the life of the asset. For the 2013-2014 Proposed Budget, DoIT completed a detailed analysis of the capital asset depreciation built into the rates and allocations. Based on the results of this analysis, DoIT is able to lower the rates and allocations charges to customers for 2013 and 2014 by \$400,000 in each year. The depreciation collection costs will be re-evaluated again for the next biennium budget cycle.

### **Cable Television Franchise Fee**

Cable Television Franchise Fund (Cable Fund) revenues are generated by franchise fees from cable television providers. Over the last several years, the Department has used Cable Fund revenues to support technology access programs previously funded by the General Fund. The 2013-2014 Proposed Budget continues previous uses of the Cable Fund for project management for the Web Team, web application support service to City departments, and administrative support for community outreach. In 2013, the Cable Fund will fund the Video Voters' Guide that provides election coverage with a variety of videos. In addition, the Seattle Channel will reduce capital funding for purchasing equipment slowing the transition to high definition.

The Cable Fund recently received a small increase in revenues as Comcast raised its rates on home television service. In 2012, the Cable Fund also received revenue from outstanding cable franchise fees found during DoIT's auditing process. These increased revenues were one-time occurrences. The fund is only projected to grow minimally in the near future. The Department expects that the fund will begin to see expenditure pressures as it is called upon to fund major technology overhauls and DoIT may have to propose cuts by 2016 to existing programming paid for by the Cable Fund in order to keep the fund in balance.

# Department of Information Technology

## Incremental Budget Changes

### Department of Information Technology

	2013		2014	
	Budget	FTE	Budget	FTE
<b>Total 2012 Adopted Budget</b>	<b>\$ 49,151,321</b>	<b>190.25</b>	<b>\$ 49,151,321</b>	<b>190.25</b>
<b>Baseline Changes</b>				
Citywide Adjustments for Standard Cost Changes	\$ 3,286,471	0.00	\$ 6,549,686	0.00
Alignment of Budget with Actual Costs	-\$ 4,142	0.00	-\$ 324	0.00
Budget Neutral Transfers	\$ 0	0.00	\$ 0	0.00
Increased Software and Maintenance Costs	\$ 178,353	0.00	\$ 139,823	0.00
One-Time Funding Reduction	-\$ 672,926	0.00	-\$ 686,072	0.00
Reduction of Inflation on Capital Items	-\$ 66,132	0.00	-\$ 118,624	0.00
<b>Proposed Policy Changes</b>				
Next Generation Data Center	\$ 2,693,906	2.00	\$ 30,527,644	2.00
Citywide Upgrade to Windows 7 and Office 365	\$ 1,661,688	0.00	-\$ 846,443	0.00
Support for Internal Wi-Fi Networks	\$ 12,565	0.00	\$ 11,245	0.00
Funding for Electronic Records Management System Planning	\$ 150,000	0.00	\$ 3,087,500	0.00
Smartphone Efficiencies	-\$ 167,830	0.00	-\$ 266,500	0.00
Support for COP System	\$ 0	0.00	\$ 0	0.00
Reduce Data Network Expenses and Depreciation Costs	-\$ 255,947	0.00	-\$ 255,947	0.00
Technology Efficiency	-\$ 54,384	0.00	-\$ 54,945	0.00
Computing Services Staffing Changes	-\$ 27,331	0.00	-\$ 28,651	0.00
Reduce Software, Supplies and Training for Web Team	-\$ 67,000	0.00	-\$ 68,541	0.00
Add Funding for Video Voters Guide	\$ 38,442	0.00	\$ 0	0.00
Seattle Channel Capital Funding Savings	-\$ 100,000	0.00	-\$ 100,000	0.00
Budget Neutral Funding Shift	\$ 0	0.00	\$ 0	0.00
<b>Proposed Technical Changes</b>				
Final Citywide Adjustments for Standard Cost Changes	\$ 86,870	0.00	\$ 64,638	0.00
Technical Adjustments	\$ 21,247	0.00	\$ 21,824	0.00
<b>Total Incremental Changes</b>	<b>\$ 6,713,850</b>	<b>2.00</b>	<b>\$ 37,976,313</b>	<b>2.00</b>
<b>2013 - 2014 Proposed Budget</b>	<b>\$ 55,865,171</b>	<b>192.25</b>	<b>\$ 87,127,634</b>	<b>192.25</b>

# Department of Information Technology

## Description of Incremental Budget Changes

### Baseline Changes

#### **Citywide Adjustments for Standard Cost Changes - \$3,286,471**

Citywide technical adjustments made in the "Baseline Phase" reflect changes due to inflation, central cost allocations, retirement, health care, workers' compensation, and employment costs. These adjustments reflect initial assumptions about these costs and inflators early in the budget process.

#### **Alignment of Budget with Actual Costs - (\$4,142)**

This baseline adjustment aligns the budget with actual costs for salary/benefit adjustments, space rent, and debt service costs.

#### **Budget Neutral Transfers**

This budget neutral baseline adjustment aligns the proposed budget with the correct rate pool where the actual expenditures are occurring.

#### **Increased Software and Maintenance Costs - \$178,353**

This baseline budget increase is to cover the increased costs for use of the Department of Planning and Development report server and maintenance for the 800MHz system.

#### **One-Time Funding Reduction - (\$672,926)**

This item reduces budget for one-time projects and positions that were only funded for one year in 2012, including Windows 7 project planning, Tech Matching Fund increases and funding for Web Team positions in the Seattle Police Department and the Seattle Fire Department.

#### **Reduction of Inflation on Capital Items - (\$66,132)**

This item reduces inflation that was added to capital items that do not need to be inflated.

### Proposed Policy Changes

#### **Next Generation Data Center - \$2,693,906/2.00 FTE**

The City's data center is reaching the end of its useful lifecycle and this funding initiates work to identify options to move to a new environment. Alternatives for data storage will be explored including use of the cloud, a new data center and redundant systems.

#### **Citywide Upgrade to Windows 7 and Office 365 - \$1,661,688**

Starting in April 2014, Microsoft will no longer support the City's current operating system, Windows XP. This proposal provides funding for the City to upgrade to Microsoft Windows 7 in order to continue effective and secure operations of the City's technology system. In addition, the City will upgrade the email system from Exchange to Office 365, which will provide both local and cloud licensing for key office products including email, calendaring, Office, Lync and Sharepoint.

#### **Support for Internal Wi-Fi Networks - \$12,565**

Use of the City's internal WiFi systems have increased to approximately 395 wireless access points in 2012 up from approximately 30 in 2008. Additional resources are needed to maintain this increase in service. This proposal will transfer and fund the increment necessary for an existing position to provide oversight and maintenance of the City's internal WiFi systems.

# Department of Information Technology

## **Funding for Electronic Records Management System Planning - \$150,000**

This proposal initiates the effort to implement a comprehensive Citywide electronic records management system. The funds in 2013 will allow development of a detailed plan for the replacement of the City's existing email archiving system, followed by funds in 2014 for the implementation of that replacement. Additional phases expanding the capabilities of the system will follow in subsequent years.

## **Smartphone Efficiencies - (\$167,830)**

With minimal exceptions, the City will no longer purchase smartphones for exempt employees, but allow them to use their own personal smartphones to access City email and calendaring. The City will pay for installation and licensing of software that segregates City and personal information and provides security on the phone. This will allow employees to carry only one device instead of both their personal and work smartphone, and save the City money.

## **Support for COP System**

The Seattle Police Department (SPD) is implementing a Common Operating Picture (COP) System that will allow coordination of incident response and public safety related events. This information will be housed in servers that will be maintained by DoIT and a \$53,000 increase in fees to SPD will cover those additional expenditures.

## **Reduce Data Network Expenses and Depreciation Costs - (\$255,947)**

DoIT completed a detailed analysis of the large capital asset depreciation built into its rates and allocations for 2013 and 2014 and determined that the rates could be lowered by \$400,000 to reflect extended lifespan of specific assets. This is not anticipated to have any operating impacts. In addition, \$256,000 of expenditures will be reduced for non-capital equipment and supplies by delaying replacement and upgrades.

## **Technology Efficiency - (\$54,384)**

This proposal reduces costs for the City's existing telephone system due to changes in technology and a new lower cost contract for the same level of service. Additionally, DoIT will capture savings due to changes in technology for how the City provides security for its externally facing web applications that make replacing a server unnecessary.

## **Computing Services Staffing Changes - (\$27,331)**

This proposal merges two halftime IT professional positions, one of which is currently vacant, into one full-time position without any operational impacts. Additionally, an IT Professional B is reduced to halftime and reassigned to different duties and a part-time IT Professional C will become fulltime in order to increase support for large projects.

## **Reduce Software, Supplies and Training for Web Team - (\$67,000)**

The City's Web Team will reduce expenditures for subscriptions, publications, office supplies, postage, software and training. These reductions are not expected to have a direct impact operations.

## **Add Funding for Video Voters Guide - \$38,442**

This proposal adds funding for the Video Voters' Guide, a set of videos that allow candidates to introduce themselves to voters and covers ballot initiatives, propositions, and levies. Funding for this effort is included in DoIT's budget in alternative years.

## **Seattle Channel Capital Funding Savings - (\$100,000)**

This proposal reduces capital funding for the Seattle Channel and will delay the purchase of high definition camera and studio equipment. This will result in a delay in producing and broadcasting high definition programs.

# Department of Information Technology

## **Budget Neutral Funding Shift**

These budget neutral funding shifts will not impact the services currently provided by DoIT. The first aligns the current costs of email support which is supported by the Cable Fund for costs that were inadvertently left out of the 2012 budget and results in a General Fund savings of \$44,000 in 2013 and \$108,000 in 2014. The second is related to Seattle Public Utilities replacing the City standard call monitoring system with another product and results in a shift of \$22,000 of costs from SPU to the Cable Fund.

## **Proposed Technical Changes**

### **Final Citywide Adjustments for Standard Cost Changes - \$86,870**

Citywide technical adjustments made in the "Proposed Phase" reflect changes due to inflation, central cost allocations, retirement, health care, workers' compensation, and unemployment costs. These adjustments typically reflect updates to preliminary cost assumptions established in the "Baseline Phase."

### **Technical Adjustments - \$21,247**

These adjustments include utility rate increases, aligning costs with the correct rate pool and reducing one-time costs from the previous budget. These changes do not have an impact on DoIT's service delivery.

# Department of Information Technology

## Expenditure Overview

Appropriations	Summit Code	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
<b>Finance and Administration Budget Control</b>					
Finance and Administration		2,114,626	2,143,359	2,625,525	2,713,931
General and Administration		3,486,912	4,155,674	8,087,798	36,338,981
<b>Total</b>	<b>D1100</b>	<b>5,601,539</b>	<b>6,299,033</b>	<b>10,713,323</b>	<b>39,052,912</b>
<b>Office of Electronic Communications Budget Control</b>					
Citywide Web Team		1,743,221	2,444,798	2,082,106	2,149,251
Community Technology		1,099,730	1,294,156	1,214,230	1,247,624
Office of Cable Communications		669,940	712,171	733,013	753,171
Seattle Channel		2,758,684	2,797,221	3,200,786	3,242,254
<b>Total</b>	<b>D4400</b>	<b>6,271,576</b>	<b>7,248,347</b>	<b>7,230,135</b>	<b>7,392,300</b>
<b>Technology Infrastructure Budget Control</b>					
Communications Shop		1,508,550	1,682,100	1,797,287	1,855,789
Data Network Services		3,037,020	3,581,936	3,962,394	4,109,214
Enterprise Computing Services		7,753,762	7,076,057	8,343,106	9,356,655
Messaging, Collaboration and Directory Services		1,816,613	1,862,663	2,505,760	3,486,285
Radio Network		1,093,574	1,076,316	1,226,644	1,264,909
Service Desk		1,379,286	1,329,159	1,242,912	1,276,546
Technical Support Services		1,744,988	1,852,196	2,018,271	2,078,283
Technology Engineering and Project Management		3,938,660	4,705,933	4,686,636	4,828,011
Technology Infrastructure Grants		643,121	0	0	0
Telephone Services		9,655,033	9,279,955	8,876,979	9,088,241
Warehouse		627,350	1,185,848	1,241,110	1,272,303
<b>Total</b>	<b>D3300</b>	<b>33,197,958</b>	<b>33,632,163</b>	<b>35,901,098</b>	<b>38,616,236</b>
<b>Technology Leadership and Governance Budget Control</b>					
Citywide Technology Leadership and Governance		2,080,280	1,971,778	2,020,614	2,066,186
<b>Total</b>	<b>D2200</b>	<b>2,080,280</b>	<b>1,971,778</b>	<b>2,020,614</b>	<b>2,066,186</b>
<b>Department Total</b>		<b>47,151,353</b>	<b>49,151,321</b>	<b>55,865,171</b>	<b>87,127,634</b>
<b>Department Full-time Equivalents Total*</b>		<b>195.00</b>	<b>190.25</b>	<b>192.25</b>	<b>192.25</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 Information Technology

### Revenue Overview

#### 2013 Estimated Revenues

Summit Code	Source	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
542810	Cable Fund Allocation	7,543,220	7,990,663	8,351,895	8,574,198
	<b>Total Cable Fund</b>	<b>7,543,220</b>	<b>7,990,663</b>	<b>8,351,895</b>	<b>8,574,198</b>
541490	Technology Allocation (GF Depts)	4,204,860	7,341,800	11,071,676	11,369,302
541710	Rates (GF Depts)	50,306	0	0	0
541810	Rates	81,867	79,253	161,776	126,972
541810	Rates (GF Depts)	67,547	64,567	185,370	148,610
542810	Rates	4,621,832	4,270,673	1,251,619	1,291,791
542810	Rates (GF Depts)	5,084,641	5,465,205	2,581,346	2,665,523
542810	Special Project Billings	151,134	0	0	0
542810	Special Project Billings (GF Depts)	155,848	0	0	0
542850	Rates	156,211	162,229	185,712	191,694
542850	Rates (GF Depts)	619,373	838,922	985,849	1,017,608
562210	Rates (GF Depts)	57,740	71,790	70,970	72,638
	<b>Total City Agency - GF</b>	<b>15,251,359</b>	<b>18,294,439</b>	<b>16,494,318</b>	<b>16,884,138</b>
541490	Customer Rebates	0	-44,936	0	0
541490	Technology Allocation	16,023,361	13,263,760	16,552,910	16,753,182
541710	Rates	32,274	0	0	0
562210	Rates	46,390	54,004	55,166	56,463
	<b>Total City Agency - Non-GF</b>	<b>16,102,025</b>	<b>13,272,828</b>	<b>16,608,076</b>	<b>16,809,645</b>
441710	Rates	2,380	0	0	0
442810	Rates	250,332	104,268	140,143	142,300
442810	Special Project Billings	1,280,135	1,295,208	0	0
442850	Rates	346,659	65,682	187,991	194,047
447600	Rates	576	0	0	0
462210	Rates	136,951	81,424	103,194	104,052
469990	Other Miscellaneous Revenues	59,334	0	0	0
	<b>Total External Revenues</b>	<b>2,076,367</b>	<b>1,546,582</b>	<b>431,328</b>	<b>440,399</b>
587001	Rates (pure GF)	0	0	156	160
587001	Technology Allocation (pure GF)	3,921,385	4,149,718	4,155,401	4,513,068
	<b>Total General Subfund Support</b>	<b>3,921,385</b>	<b>4,149,718</b>	<b>4,155,557</b>	<b>4,513,228</b>
433010	Federal Grants - Indirect	729,658	0	0	0
439090	Private Contributions & Donations	122,265	0	0	0
	<b>Total Grants</b>	<b>851,923</b>	<b>0</b>	<b>0</b>	<b>0</b>
461110	Finance - External	221,042	0	0	0

## Department of Information Technology

	<b>Total Interest Earnings</b>	<b>221,042</b>	<b>0</b>	<b>0</b>	<b>0</b>
569990	Long-Term General Obligation (LTGO) Bonds - Capital Assets Replacement	0	0	0	3,170,096
569990	Long-Term General Obligation (LTGO) Bonds - Electronic Records Management	0	0	0	3,000,000
569990	Long-Term General Obligation (LTGO) Bonds - Next Generation Data Center	0	0	2,625,000	29,465,000
	<b>Total LTGO Bonds</b>	<b>0</b>	<b>0</b>	<b>2,625,000</b>	<b>35,635,096</b>
469400	Radio Frequency Settlement	7,688,170	0	0	0
	<b>Total Other</b>	<b>7,688,170</b>	<b>0</b>	<b>0</b>	<b>0</b>
542810	Special Project Billings	591,023	4,801,484	4,942,688	5,085,362
	<b>Total Special Project Billings</b>	<b>591,023</b>	<b>4,801,484</b>	<b>4,942,688</b>	<b>5,085,362</b>
	<b>Total Revenues</b>	<b>54,246,514</b>	<b>50,055,714</b>	<b>53,608,862</b>	<b>87,942,066</b>
379100	Use of (Contributions to) Fund Balance	-7,095,163	-904,390	2,256,312	-814,432
	<b>Total Use of (Contributions to) Fund Balance</b>	<b>-7,095,163</b>	<b>-904,390</b>	<b>2,256,312</b>	<b>-814,432</b>
	<b>Total Resources</b>	<b>47,151,351</b>	<b>49,151,324</b>	<b>55,865,174</b>	<b>87,127,634</b>

# Department of Information Technology

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

### Finance and Administration Budget Control Level

The purpose of the Finance and Administration Budget Control Level is to provide human resources, contracting, finance, budget, and accounting services (planning, control, analysis, and consulting) to the Department.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Finance and Administration	2,114,626	2,143,359	2,625,525	2,713,931
General and Administration	3,486,912	4,155,674	8,087,798	36,338,981
<b>Total</b>	<b>5,601,539</b>	<b>6,299,033</b>	<b>10,713,323</b>	<b>39,052,912</b>
Full-time Equivalents Total*	19.50	19.00	21.00	21.00

*\* 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 Finance and Administration Budget Control Level:**

#### **Finance and Administration Program**

The purpose of the Finance and Administration Program is to provide human resources, contracting, finance, budget, and accounting services (planning, control, analysis, and consulting) to the Department.

<b>Expenditures/FTE</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Finance and Administration	2,114,626	2,143,359	2,625,525	2,713,931
Full-time Equivalents Total	19.50	19.00	21.00	21.00

#### **General and Administration Program**

The purpose of the General and Administration Program is to provide general administrative services and supplies to the Department's internal programs.

<b>Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
General and Administration	3,486,912	4,155,674	8,087,798	36,338,981

## Department of Information Technology

### Office of Electronic Communications Budget Control Level

The purpose of the Office of Electronic Communications Budget Control Level is to operate the Seattle Channel, Cable Office, Web sites, and related programs so that technology delivers services and information to residents, businesses, visitors, and employees in an effective way.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Citywide Web Team	1,743,221	2,444,798	2,082,106	2,149,251
Community Technology	1,099,730	1,294,156	1,214,230	1,247,624
Office of Cable Communications	669,940	712,171	733,013	753,171
Seattle Channel	2,758,684	2,797,221	3,200,786	3,242,254
<b>Total</b>	<b>6,271,576</b>	<b>7,248,347</b>	<b>7,230,135</b>	<b>7,392,300</b>
Full-time Equivalents Total*	34.00	35.00	35.00	35.00

*\* 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 Information Technology

*The following information summarizes the programs in Office of Electronic Communications Budget Control Level:*

### Citywide Web Team Program

The purpose of the Citywide Web Team Program is to provide leadership in using Web technology and a Web presence for residents, businesses, visitors, and employees so that they have 24-hour access to relevant information and City services.

<b>Expenditures/FTE</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Citywide Web Team	1,743,221	2,444,798	2,082,106	2,149,251
Full-time Equivalents Total	12.25	12.75	12.75	12.75

### Community Technology Program

The purpose of the Community Technology Program is to provide leadership, education, and funding so that all residents have access to computer technology and online information.

<b>Expenditures/FTE</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Community Technology	1,099,730	1,294,156	1,214,230	1,247,624
Full-time Equivalents Total	4.25	4.25	4.25	4.25

### Office of Cable Communications Program

The purpose of the Office of Cable Communications Program is to negotiate with and regulate private cable communications providers so that residents receive high-quality and reasonably priced services.

<b>Expenditures/FTE</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Office of Cable Communications	669,940	712,171	733,013	753,171
Full-time Equivalents Total	2.75	2.75	2.75	2.75

### Seattle Channel Program

The purpose of the Seattle Channel Program is to inform and engage residents in Seattle's governmental, civic, and cultural affairs by using television, the Web, and other media in compelling ways.

<b>Expenditures/FTE</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Seattle Channel	2,758,684	2,797,221	3,200,786	3,242,254
Full-time Equivalents Total	14.75	15.25	15.25	15.25

## Department of Information Technology

### Technology Infrastructure Budget Control Level

The purpose of the Technology Infrastructure Budget Control Level is to build and operate the City's corporate communications and computing assets so that the City can manage information more effectively, deliver services more efficiently, and make well-informed decisions.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Communications Shop	1,508,550	1,682,100	1,797,287	1,855,789
Data Network Services	3,037,020	3,581,936	3,962,394	4,109,214
Enterprise Computing Services	7,753,762	7,076,057	8,343,106	9,356,655
Messaging, Collaboration and Directory Services	1,816,613	1,862,663	2,505,760	3,486,285
Radio Network	1,093,574	1,076,316	1,226,644	1,264,909
Service Desk	1,379,286	1,329,159	1,242,912	1,276,546
Technical Support Services	1,744,988	1,852,196	2,018,271	2,078,283
Technology Engineering and Project Management	3,938,660	4,705,933	4,686,636	4,828,011
Technology Infrastructure Grants	643,121	0	0	0
Telephone Services	9,655,033	9,279,955	8,876,979	9,088,241
Warehouse	627,350	1,185,848	1,241,110	1,272,303
<b>Total</b>	<b>33,197,958</b>	<b>33,632,163</b>	<b>35,901,098</b>	<b>38,616,236</b>
Full-time Equivalents Total*	126.50	123.50	123.50	123.50

\* 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 Technology Infrastructure Budget Control Level:**

#### **Communications Shop Program**

The purpose of the Communications Shop Program is to install, maintain, and repair the dispatch radio infrastructure and mobile and portable radios for City departments and other regional agencies for common, cost-effective communications.

<b>Expenditures/FTE</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Communications Shop	1,508,550	1,682,100	1,797,287	1,855,789
Full-time Equivalents Total	11.00	11.00	11.20	11.20

#### **Data Network Services Program**

The purpose of the Data Network Services Program is to provide data communications infrastructure and related services to City employees so that they may send and receive electronic data in a cost-effective manner, and so residents may electronically communicate with City staff and access City services.

<b>Expenditures/FTE</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Data Network Services	3,037,020	3,581,936	3,962,394	4,109,214
Full-time Equivalents Total	13.00	11.00	14.75	14.75

# Department of Information Technology

## Enterprise Computing Services Program

The purpose of the Enterprise Computing Services Program is to provide a reliable production computing environment that allows departments to effectively operate their technology applications, operating systems, and servers.

Expenditures/FTE	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Enterprise Computing Services	7,753,762	7,076,057	8,343,106	9,356,655
Full-time Equivalents Total	25.00	24.00	24.25	24.25

## Messaging, Collaboration and Directory Services Program

The purpose of the Messaging, Collaboration and Directory Services Program is to provide, operate, and maintain an infrastructure for e-mail, calendar, directory, and related services to City employees and the general public so that they can communicate and obtain City services.

Expenditures/FTE	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Messaging, Collaboration and Directory Services	1,816,613	1,862,663	2,505,760	3,486,285
Full-time Equivalents Total	12.00	12.00	12.25	12.25

## Radio Network Program

The purpose of the Radio Network Program is to provide dispatch radio communications and related services to City departments and other regional agencies so that they have a highly available means for mobile communications.

Expenditures/FTE	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Radio Network	1,093,574	1,076,316	1,226,644	1,264,909
Full-time Equivalents Total	1.00	1.00	1.00	1.00

## Service Desk Program

The purpose of the Service Desk Program is to provide an initial point of contact for technical support, problem analysis and resolution, and referral services for customers in non-utility departments.

Expenditures/FTE	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Service Desk	1,379,286	1,329,159	1,242,912	1,276,546
Full-time Equivalents Total	11.00	11.00	9.75	9.75

## Technical Support Services Program

The purpose of the Technical Support Services Program is to provide, operate, and maintain personal computer services for City employees so that they have a reliable computing environment to conduct City business and to provide services to other government entities and the public.

Expenditures/FTE	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Technical Support Services	1,744,988	1,852,196	2,018,271	2,078,283
Full-time Equivalents Total	13.50	13.50	14.25	14.25

# Department of Information Technology

## Technology Engineering and Project Management Program

The purpose of the Technology Engineering and Project Management Program is to engineer communications systems and networks, to manage large technology infrastructure projects for City departments, and to facilitate reliable and cost-effective communications and technology.

Expenditures/FTE	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Technology Engineering and Project Management	3,938,660	4,705,933	4,686,636	4,828,011
Full-time Equivalents Total	7.00	7.00	6.00	6.00

## Technology Infrastructure Grants Program

The purpose of the Technology Infrastructure Grants Program is to display expenditures related to technology projects funded by City and non-City sources and where appropriations for such projects are often made outside of the budget book.

Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Technology Infrastructure Grants	643,121	0	0	0

## Telephone Services Program

The purpose of the Telephone Services Program is to provide, operate, and maintain a telecommunications infrastructure, and to provide related services to City employees so that they have a highly available means of communication.

Expenditures/FTE	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Telephone Services	9,655,033	9,279,955	8,876,979	9,088,241
Full-time Equivalents Total	30.00	30.00	27.05	27.05

## Warehouse Program

The purpose of the Warehouse Program is to acquire, store, and distribute telephone, computing, data communications, and radio components to the Department so that equipment is available when requested.

Expenditures/FTE	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Warehouse	627,350	1,185,848	1,241,110	1,272,303
Full-time Equivalents Total	3.00	3.00	3.00	3.00

## Department of Information Technology

### **Technology Leadership and Governance Budget Control Level**

The purpose of the Technology Leadership and Governance Budget Control Level is to provide departments with strategic direction and coordination on technology for their respective investment decisions.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Citywide Technology Leadership and Governance	2,080,280	1,971,778	2,020,614	2,066,186
<b>Total</b>	<b>2,080,280</b>	<b>1,971,778</b>	<b>2,020,614</b>	<b>2,066,186</b>
Full-time Equivalents Total*	15.00	12.75	12.75	12.75

*\* 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 Technology Leadership and Governance Budget Control Level:**

#### **Citywide Technology Leadership and Governance Program**

The purpose of the Citywide Technology Leadership and Governance Program is to establish strategic directions; identify key technology drivers; support effective project management and quality assurance; and provide information, research, and analysis to departments' business and technology managers.

<b>Expenditures/FTE</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Citywide Technology Leadership and Governance	2,080,280	1,971,778	2,020,614	2,066,186
Full-time Equivalents Total	15.00	12.75	12.75	12.75

## Department of Information Technology

### Information Technology Fund Table

#### Information Technology Fund (50410)

	2011 Actuals	2012 Adopted	2012 Revised	2013 Proposed	2014 Proposed
<b>Beginning Fund Balance</b>	<b>36,000,342</b>	<b>12,458,010</b>	<b>23,638,874</b>	<b>19,464,331</b>	<b>17,208,022</b>
Accounting and Technical Adjustments	-19,456,629	0	0	0	0
Plus: Actual and Estimated Revenues	54,246,514	50,055,714	52,542,100	53,608,862	87,942,066
Less: Actual and Budgeted Expenditures	47,151,353	49,151,321	56,716,643	55,865,171	87,127,634
<b>Ending Fund Balance</b>	<b>23,638,874</b>	<b>13,362,403</b>	<b>19,464,331</b>	<b>17,208,022</b>	<b>18,022,454</b>
	17,143,313	12,347,686	14,981,353	13,692,163	14,059,625
<b>Total Reserves</b>	<b>17,143,313</b>	<b>12,347,686</b>	<b>14,981,353</b>	<b>13,692,163</b>	<b>14,059,625</b>
<b>Ending Unreserved Fund Balance</b>	<b>6,495,561</b>	<b>1,014,717</b>	<b>4,482,978</b>	<b>3,515,859</b>	<b>3,962,829</b>

### Capital Improvement Program Highlights

The Department of Information Technology (DoIT) builds, manages, and maintains City government information technology infrastructure including radio, data, communications, and computer networks. DoIT also manages the Seattle Channel, the City's central data center, and the development of computer application projects on behalf of the City. The central data center houses most of the City's computer servers and computing architecture. The Capital Improvement Program (CIP) supports DoIT's mission by providing for new investments, upgrades, maintenance, and improvements to the City's existing technology networks and systems.

The DoIT 2013-2018 Proposed CIP focuses on the usual maintenance, replacement, and upgrades for existing systems. The one exception is the addition of the Data Center Next Generation project. In 2012, the City identified a power transmission problem with "bus B" in the Seattle Municipal Tower that directly impacts the City's primary data center and IT infrastructure. The problem was repaired and underscored the need to upgrade the City's systems. The Data Center Next Generation project is an effort to plan for the next generation computer data center. DoIT will begin planning and designing alternatives that will give the data center more capacity, redundancy and resiliency. The other 2013 projects include upgrades to the alternate data center; installation of additional fiber optic cable links; planning, repair, replacement, and modification of software, hardware, and electronics in the City's data and communications infrastructure; replacement and upgrades of equipment in the 800 MHz radio network program; replacement and upgrades of software and hardware in the computing services architecture environment and replacement of equipment for the Seattle Channel.

Additional information on DoIT's CIP can be found in the 2013-2018 Proposed CIP online here: <http://www.seattle.gov/financedepartment/1318proposedcip/default.htm>

# Office of Intergovernmental Relations

Marco Lowe, Director

Department Information Line: (206) 684-0213

On the Web at: <http://www.seattle.gov/oir/>



## Department Overview

The Office of Intergovernmental Relations (OIR) provides advice and information to, and on behalf of, City elected officials, City departments, and external customers. The primary goal of these efforts is to ensure the City's interests are advanced with international, tribal, federal, state, and regional entities to enable the City to better serve the community.

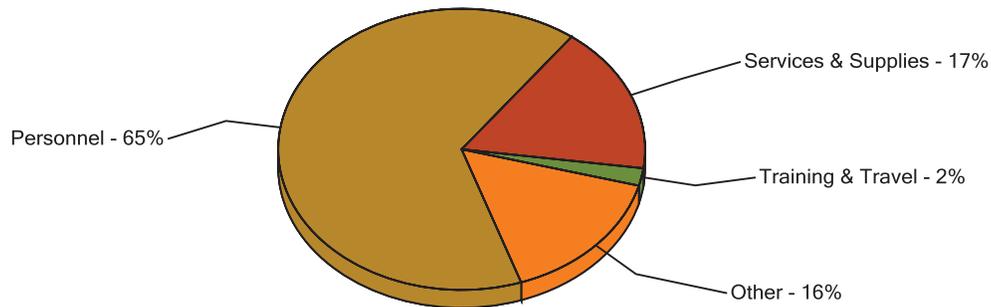
## Budget Snapshot

Department Support	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
General Fund Support	\$1,887,622	\$2,091,092	\$2,017,569	\$2,080,184
<b>Total Operations</b>	<b>\$1,887,622</b>	<b>\$2,091,092</b>	<b>\$2,017,569</b>	<b>\$2,080,184</b>
<b>Total Appropriations</b>	<b>\$1,887,622</b>	<b>\$2,091,092</b>	<b>\$2,017,569</b>	<b>\$2,080,184</b>
Full-time Equivalent Total*	11.50	10.50	10.50	10.50

\* 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 Intergovernmental Relations

### 2013 Proposed Budget - Expenditure by Category



### Budget Overview

The Office of Intergovernmental Relations (OIR) is responsible for engaging with other jurisdictions and governmental entities in order to collaborate and advocate for outcomes that are in the interest of the City and region. This is a particularly difficult task given the current fiscal environment at all levels of government. It becomes even more important now to ensure external funding for critical services and programs is retained as residents and businesses in Seattle slowly begin to recover from impacts of the Great Recession.

Even so, OIR will respond to the budget challenges facing the General Fund for 2013 and 2014 with administrative and operational reductions. Each OIR staff member will take two days of unpaid furloughs in 2013 and 2014 and OIR will reduce its travel and periodical subscription budgets. Despite these reductions, OIR will continue to develop and enhance the dissemination of information to the public regarding regional, state, and federal issues of importance. Core OIR work with local, regional, state and federal partners will continue.

## Office of Intergovernmental Relations

### Incremental Budget Changes

#### Office of Intergovernmental Relations

	2013		2014	
	Budget	FTE	Budget	FTE
<b>Total 2012 Adopted Budget</b>	<b>\$ 2,091,092</b>	<b>10.50</b>	<b>\$ 2,091,092</b>	<b>10.50</b>
<b>Baseline Changes</b>				
Citywide Adjustments for Standard Cost Changes	\$ 72,267	0.00	\$ 134,849	0.00
Removal of One-Time 2012 Costs	-\$ 132,600	0.00	-\$ 135,650	0.00
<b>Proposed Policy Changes</b>				
Travel Budget Reductions	-\$ 16,701	0.00	-\$ 17,300	0.00
Reduce Subscription Costs	-\$ 4,500	0.00	-\$ 4,500	0.00
Department Furloughs	-\$ 8,900	0.00	-\$ 9,194	0.00
<b>Proposed Technical Changes</b>				
Final Citywide Adjustments for Standard Cost Changes	\$ 16,911	0.00	\$ 20,888	0.00
<b>Total Incremental Changes</b>	<b>-\$ 73,523</b>	<b>0.00</b>	<b>-\$ 10,907</b>	<b>0.00</b>
<b>2013 - 2014 Proposed Budget</b>	<b>\$ 2,017,569</b>	<b>10.50</b>	<b>\$ 2,080,184</b>	<b>10.50</b>

### Description of Incremental Budget Changes

#### Baseline Changes

##### **Citywide Adjustments for Standard Cost Changes - \$72,267**

Citywide technical adjustments made in the "Baseline Phase" reflect changes due to inflation, central cost allocations, retirement, health care, workers' compensation, and employment costs. These adjustments reflect initial assumptions about these costs and inflators early in the budget process.

##### **Removal of One-Time 2012 Costs - (\$132,600)**

OIR's baseline is reduced to reflect the removal of two one-time appropriations approved for OIR's use in the 2012 budget. The two appropriations to be removed in the 2013-2014 baseline are: 1) \$50,000 for one-time support of the Puget Sound Regional Council; and 2) \$80,000 to support an annual National League of Cities Conference hosted by Seattle in 2013.

# Office of Intergovernmental Relations

## Proposed Policy Changes

### **Travel Budget Reductions - (\$16,701)**

OIR uses its travel budget to attend out-of-state and international conferences and to promote the City's interest with other governments at all levels. OIR will further prioritize travel and use video conferencing to maintain relationships with out-of-state governments and officials.

### **Reduce Subscription Costs - (\$4,500)**

OIR negotiated a reduction in its annual subscription costs to the Congressional Quarterly during 2013 and 2014 and will cancel its subscription to Federal Leadership in 2013 and 2014.

### **Department Furloughs - (\$8,900)**

All OIR employees will take two days of unpaid furlough leave in 2013 and 2014. OIR will manage staff resources to minimize impact on City departments.

## Proposed Technical Changes

### **Final Citywide Adjustments for Standard Cost Changes - \$16,911**

Citywide technical adjustments made in the "Proposed Phase" reflect changes due to inflation, central cost allocations, retirement, health care, workers' compensation, and unemployment costs. These adjustments typically reflect updates to preliminary cost assumptions established in the "Baseline Phase."

## **Expenditure Overview**

<b>Appropriations</b>	<b>Summit Code</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
<b>Intergovernmental Relations Budget Control Level</b>	<b>X1G00</b>	<b>1,887,622</b>	<b>2,091,092</b>	<b>2,017,569</b>	<b>2,080,184</b>
<b>Department Total</b>		<b>1,887,622</b>	<b>2,091,092</b>	<b>2,017,569</b>	<b>2,080,184</b>
<b>Department Full-time Equivalents Total*</b>		<b>11.50</b>	<b>10.50</b>	<b>10.50</b>	<b>10.50</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.*

## Office of Intergovernmental Relations

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

#### Intergovernmental Relations Budget Control Level

The purpose of the Intergovernmental Relations Budget Control Level is to promote and protect the City's federal, state, regional, 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 international relations; and jurisdictional issues involving King County, suburban cities, and regional governmental organizations.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Intergovernmental Relations	1,887,622	2,091,092	2,017,569	2,080,184
<b>Total</b>	<b>1,887,622</b>	<b>2,091,092</b>	<b>2,017,569</b>	<b>2,080,184</b>
Full-time Equivalents Total*	11.50	10.50	10.50	10.50

*\* 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.*



# Legislative Department

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Sally J. Clark, Council President

Department Information Line: (206) 684-8888 TTY: (206) 233-0025

On the Web at: <http://www.seattle.gov/council/>



Legislative  
Department

## Department Overview

The Legislative Department includes the Seattle City Council, the City's representative electoral body composed of nine at-large, non-partisan, elected Councilmembers. In addition to the City Council, the Legislative Department has three other programs: the Office of the City Clerk, Central Staff, and General Expense. Each program in the Department supports some aspect of the representative role of the City Council, and works with citizens and City departments to develop effective and responsive public policy.

The roles of the nine Councilmembers are to establish City laws, approve the Mayor's annual operating and capital improvement budgets, provide oversight to the City's Executive departments, and create policy for the City. Each Councilmember has a staff of Legislative Assistants who help accomplish this work. Communications staff, also a part of the City Council program, assist Councilmembers and the Council as a whole with communicating values and priorities to the public.

The Office of the City Clerk facilitates the City's legislative process; maintains and makes publicly accessible the Council's work product; coordinates public records disclosure requests for the Legislative Department; oversees and facilitates Citywide compliance with records retention laws; preserves and provides access to the City's official and historical records; and provides operational support to the Legislative Department, Office of City Auditor, and Office of Professional Accountability Review Board. Operational support includes information technology, human resources, and department operations. The Office of Professional Accountability Review Board was created in 2002 to provide citizen oversight of the Office of Professional Accountability, housed in the Police Department.

Central Staff provides policy and budget analysis for Councilmembers and their staff as well as finance, budget, accounting, payroll, and consultant contracting services for the Legislative Department, Office of City Auditor, and Office of Professional Accountability Review Board.

General Expense funds are necessary for the operation of the entire department and are not attributable to a specific program.

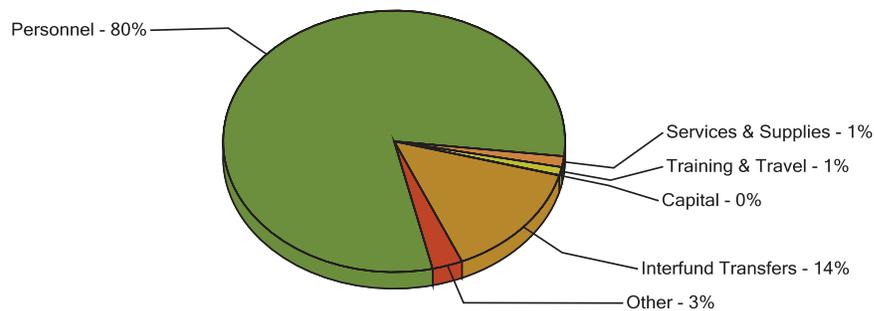
## Legislative Department

### Budget Snapshot

Department Support	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
General Fund Support	\$11,119,923	\$11,771,024	\$12,066,489	\$12,442,985
<b>Total Operations</b>	<b>\$11,119,923</b>	<b>\$11,771,024</b>	<b>\$12,066,489</b>	<b>\$12,442,985</b>
<b>Total Appropriations</b>	<b>\$11,119,923</b>	<b>\$11,771,024</b>	<b>\$12,066,489</b>	<b>\$12,442,985</b>
Full-time Equivalent Total*	86.00	87.00	86.00	86.00

\* 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.

### 2013 Proposed Budget - Expenditure by Category



### Budget Overview

The General Fund is continuing to experience pressures in 2013 and 2014, requiring reductions to General Fund supported functions. To help close this gap, the Legislative Department reduces funding for regular and temporary staff salaries and related benefits costs, legal advertising, equipment, supplies, building maintenance, travel, and training.

The Department approached the 2013-2014 Proposed Budget with the purpose of meeting General Fund reduction goals while preserving direct services. With each division of the Department either directly or indirectly supporting the City Council, the Department attempted to preserve the direct services provided by City Council to citizens and City departments to the greatest extent possible. To achieve this goal, the Department made administrative and operational changes which resulted in reductions to both the personnel and non-personnel services budgets with no service level impacts.

The 2013-2014 Proposed Budget also reflects a series of technical adjustments including inflation, COLA, retirement, health care, workers' compensation, and unemployment.

# Legislative Department

## Incremental Budget Changes

### Legislative Department

	2013		2014	
	Budget	FTE	Budget	FTE
<b>Total 2012 Adopted Budget</b>	<b>\$ 11,771,024</b>	<b>87.00</b>	<b>\$ 11,771,024</b>	<b>87.00</b>
<b>Baseline Changes</b>				
Citywide Adjustments for Standard Cost Changes	\$ 530,664	0.00	\$ 931,418	0.00
Position Reclassifications	\$ 28,440	0.00	\$ 29,286	0.00
Councilmember Salaries for 2014	\$ 0	0.00	\$ 19,704	0.00
<b>Proposed Policy Changes</b>				
Reorganization and Administrative Savings	-\$ 175,999	-1.00	-\$ 183,000	-1.00
<b>Proposed Technical Changes</b>				
Final Citywide Adjustments for Standard Cost Changes	-\$ 87,640	0.00	-\$ 125,447	0.00
<b>Total Incremental Changes</b>	<b>\$ 295,465</b>	<b>-1.00</b>	<b>\$ 671,961</b>	<b>-1.00</b>
<b>2013 - 2014 Proposed Budget</b>	<b>\$ 12,066,489</b>	<b>86.00</b>	<b>\$ 12,442,985</b>	<b>86.00</b>

## Description of Incremental Budget Changes

### Baseline Changes

#### **Citywide Adjustments for Standard Cost Changes - \$530,664**

Citywide technical adjustments made in the "Baseline Phase" reflect changes due to inflation, central cost allocations, retirement, health care, workers' compensation, and employment costs. These adjustments reflect initial assumptions about these costs and inflators early in the budget process.

#### **Position Reclassifications - \$28,440**

Four positions were reclassified due to a buildup of tasks and responsibilities and reassignment of duties for existing employees resulting from position eliminations and the Department reorganization that occurred in 2011. This adjustment reflects those reclassifications.

#### **Councilmember Salaries for 2014**

City Councilmember salaries are fixed for the duration of the four-year term because sitting Councilmembers are barred from increasing their own salaries (Seattle City Charter, Article XVII, Section 1). This increase supplements the Citywide Adjustments for Standard Cost Changes to set a fixed salary for the 2014-2017 Council term consistent with expected inflationary increases during those four years.

# Legislative Department

## Proposed Policy Changes

### **Reorganization and Administrative Savings - (\$175,999)/(1.00) FTE**

The Legislative Department embarked on a reorganization in 2011 which has resulted in several position transfers and reclassifications, as well as greater efficiencies. The efficiencies will allow the department to achieve savings in equipment, supplies, building maintenance, and travel and training. The proposal also eliminates a vacant and unfunded Assistant City Archivist position (1.0 FTE). In addition, the Department reduces its budget available for regular and temporary staff salaries and related benefits costs.

## Proposed Technical Changes

### **Final Citywide Adjustments for Standard Cost Changes - (\$87,640)**

Citywide technical adjustments made in the "Proposed Phase" reflect changes due to inflation, central cost allocations, retirement, health care, workers' compensation, and unemployment costs. These adjustments typically reflect updates to preliminary cost assumptions established in the "Baseline Phase."

## Expenditure Overview

<b>Appropriations</b>	<b>Summit Code</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
<b>Legislative Department Budget Control</b>					
Central Staff		2,385,719	2,560,270	2,812,509	2,903,680
City Clerk		1,724,527	1,899,910	2,677,964	2,769,010
City Council		4,167,435	4,399,230	4,619,418	4,799,964
General Expense Program		2,842,243	2,911,614	1,956,597	1,970,331
<b>Total</b>	<b>G1100</b>	<b>11,119,923</b>	<b>11,771,024</b>	<b>12,066,489</b>	<b>12,442,985</b>
<b>Department Total</b>		<b>11,119,923</b>	<b>11,771,024</b>	<b>12,066,489</b>	<b>12,442,985</b>
<b>Department Full-time Equivalents Total*</b>		<b>86.00</b>	<b>87.00</b>	<b>86.00</b>	<b>86.00</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.*

# Legislative Department

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

### Legislative Department Budget Control Level

The purpose of the Legislative Department Budget Control Level is to set policy, enact City laws, approve the City's budget, provide oversight of City departments, and conduct operational and administrative activities in an efficient and effective manner to support the mission of the Department.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Central Staff	2,385,719	2,560,270	2,812,509	2,903,680
City Clerk	1,724,527	1,899,910	2,677,964	2,769,010
City Council	4,167,435	4,399,230	4,619,418	4,799,964
General Expense Program	2,842,243	2,911,614	1,956,597	1,970,331
<b>Total</b>	<b>11,119,923</b>	<b>11,771,024</b>	<b>12,066,489</b>	<b>12,442,985</b>
Full-time Equivalents Total*	86.00	87.00	86.00	86.00

\* 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 Legislative Department Budget Control Level:**

#### **Central Staff Program**

The purpose of the Central Staff Program is to support the City Council in arriving at sound public policy by providing technical and policy analysis on issues before the Council and to provide finance, budget, accounting, payroll, and consultant contracting services to the Legislative Department, Office of City Auditor, and Office of Professional Accountability Review Board.

<b>Expenditures/FTE</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Central Staff	2,385,719	2,560,270	2,812,509	2,903,680
Full-time Equivalents Total	18.00	18.00	20.00	20.00

#### **City Clerk Program**

The purpose of the City Clerk Program is to support open government and the democratic process by preserving and maximizing public access to the City's official and historical records; promoting Citywide compliance with records retention law; coordinating public records disclosure requests for the Department; facilitating the legislative process; overseeing compliance with the Open Public Meetings Act and the Public Records Act; and providing operational support to the Legislative Department, Office of City Auditor, and Office of Professional Accountability Review Board. Operational support includes information technology, human resources, and department operations.

<b>Expenditures/FTE</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
City Clerk	1,724,527	1,899,910	2,677,964	2,769,010
Full-time Equivalents Total	19.00	20.00	27.00	27.00

# Legislative Department

## City Council Program

The purpose of the City Council Program is to set policy; review, consider, and determine legislative action; approve the City's budget; and provide oversight of City departments. The goal of the City Council is to be an open and transparent, effective and accountable local government that is committed to the strength of our diversity and dedicated to the health of all of our neighborhoods. This program consists of the nine Councilmembers, their Legislative Assistant staff, and the Communications staff.

<b>Expenditures/FTE</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
City Council	4,167,435	4,399,230	4,619,418	4,799,964
Full-time Equivalents Total	39.00	39.00	39.00	39.00

## General Expense Program

The purpose of the General Expense Program is to account for expenses necessary to operate the entire department, and not necessarily attributable to a specific program. These expenditures include workers' compensation and unemployment claims; information technology hardware and software costs; common area equipment and furniture and related expenses; and internal city cost allocations and charges, such as space rent, information technology, telephone services, and common area building maintenance. It also includes Office of Professional Accountability Review Board expenses.

<b>Expenditures/FTE</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
General Expense Program	2,842,243	2,911,614	1,956,597	1,970,331
Full-time Equivalents Total	10.00	10.00	0.00	0.00

# Office of the Mayor

Mike McGinn, Mayor  
 Department Information Line: (206) 684-4000  
 On the Web at: <http://www.seattle.gov/mayor/>



## Department Overview

The mission of the Office of the Mayor is to provide honest, accessible leadership to residents, employees, and regional neighbors of the City of Seattle that is clear and responsible, in an environment that encourages ideas, civic discourse, and inclusion for the entirety of the City's diverse population, creating an even better place to live, learn, work, and play.

In the municipality of Seattle, the Mayor governs the Executive Branch as its chief executive officer. More than 25 department directors and commission members are appointed by the Mayor, work directly for the Mayor, and have been delegated the day-to-day authority to administer their respective departments, offices, and commissions. The many legal roles and responsibilities of the Mayor, and those working directly for the Mayor, are prescribed in the City Charter, state statutes, and municipal ordinances. Elections for this nonpartisan office are held every four years.

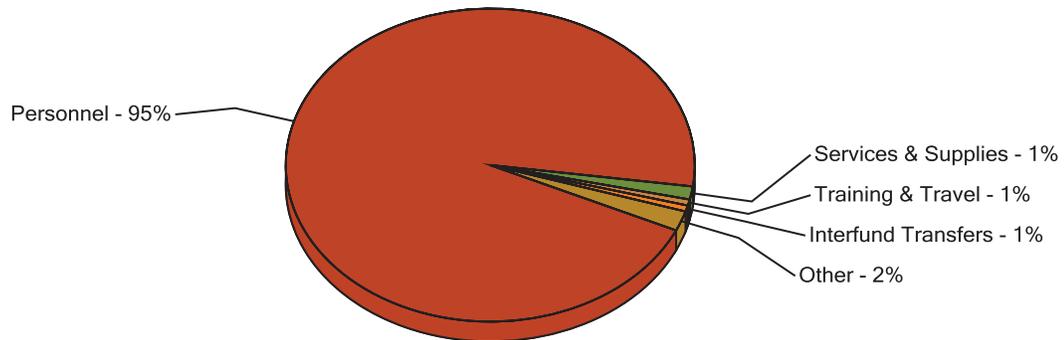
## Budget Snapshot

Department Support	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
General Fund Support	\$3,224,562	\$3,498,045	\$3,640,898	\$3,758,088
<b>Total Operations</b>	<b>\$3,224,562</b>	<b>\$3,498,045</b>	<b>\$3,640,898</b>	<b>\$3,758,088</b>
<b>Total Appropriations</b>	<b>\$3,224,562</b>	<b>\$3,498,045</b>	<b>\$3,640,898</b>	<b>\$3,758,088</b>
Full-time Equivalent Total*	28.50	28.50	28.50	28.50

\* 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

### 2013 Proposed Budget - Expenditure by Category



### Budget Overview

The Office of the Mayor (OM) and resources pledged to City policy development staff have experienced significant budget reductions in recent years resulting from the impacts of the Great Recession on City resources. In 2010, the City reduced staffing in the OM, abolished the former Office of Policy and Management (OPM), and transferred most remaining OPM resources to the Office of the Mayor. In 2011 and again in 2012, the OM took additional reductions in order to help free up General Fund resources and sustain critical direct programs and services. During this same timeframe, the City's total budget remained about the same.

In order to respond to this decline in resources, the Office of the Mayor has prioritized functions within the office, but also has had to rely more on staff from departments to help develop policy and to respond to community needs more directly. The Office of the Mayor remains committed to providing a high level of responsiveness and engagement to the community, despite limited resources.

Resulting in part from prudent financial management and ongoing reprioritization efforts in recent years, including difficult budget reductions implemented, the City's General Fund financial outlook for 2013 and 2014 is beginning to stabilize relative to 2012. Even so, responding to emerging issues and continuously re-examining how the City prioritizes funding remains critical. In order to free up funding to ensure other direct services can continue to be prioritized, the Office of the Mayor will again take budget reductions in 2013 and 2014.

## Office of the Mayor

### Incremental Budget Changes

#### Office of the Mayor

	2013		2014	
	Budget	FTE	Budget	FTE
<b>Total 2012 Adopted Budget</b>	<b>\$ 3,498,045</b>	<b>28.50</b>	<b>\$ 3,498,045</b>	<b>28.50</b>
<b>Baseline Changes</b>				
Citywide Adjustments for Standard Cost Changes	\$ 224,907	0.00	\$ 347,977	0.00
<b>Proposed Policy Changes</b>				
Streamlining of Operations and Efficiency Savings	-\$ 56,000	0.00	-\$ 56,000	0.00
<b>Proposed Technical Changes</b>				
Final Citywide Adjustments for Standard Cost Changes	-\$ 26,054	0.00	-\$ 31,934	0.00
<b>Total Incremental Changes</b>	<b>\$ 142,853</b>	<b>0.00</b>	<b>\$ 260,043</b>	<b>0.00</b>
<b>2013 - 2014 Proposed Budget</b>	<b>\$ 3,640,898</b>	<b>28.50</b>	<b>\$ 3,758,088</b>	<b>28.50</b>

### Description of Incremental Budget Changes

#### Baseline Changes

##### **Citywide Adjustments for Standard Cost Changes - \$224,907**

Citywide technical adjustments made in the "Baseline Phase" reflect changes due to inflation, central cost allocations, retirement, health care, workers' compensation, and employment costs. These adjustments reflect initial assumptions about these costs and inflators early in the budget process.

#### Proposed Policy Changes

##### **Streamlining of Operations and Efficiency Savings - (\$56,000)**

The Mayor's Office has identified efficiencies allowing for a reduction in administrative costs, Mayor's travel, and consultant services.

#### Proposed Technical Changes

##### **Final Citywide Adjustments for Standard Cost Changes - (\$26,054)**

Citywide technical adjustments made in the "Proposed Phase" reflect changes due to inflation, central cost allocations, retirement, health care, workers' compensation, and unemployment costs. These adjustments typically reflect updates to preliminary cost assumptions established in the "Baseline Phase."

## Office of the Mayor

### Expenditure Overview

Appropriations	Summit Code	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Office of the Mayor Budget Control Level	X1A00	3,224,562	3,498,045	3,640,898	3,758,088
<b>Department Total</b>		<b>3,224,562</b>	<b>3,498,045</b>	<b>3,640,898</b>	<b>3,758,088</b>
<b>Department Full-time Equivalents Total*</b>		<b>28.50</b>	<b>28.50</b>	<b>28.50</b>	<b>28.50</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.*

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

#### Office of the Mayor Budget Control Level

The purpose of the Mayor's Office Budget Control Level is to provide honest, accessible leadership to residents, employees, and regional neighbors of the City of Seattle that is clear and responsible in an environment that encourages ideas, civic discourse, and inclusion for the entirety of the City's diverse population, creating an even better place to live, learn, work, and play.

Program Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Office of the Mayor	3,224,562	3,498,045	3,640,898	3,758,088
<b>Total</b>	<b>3,224,562</b>	<b>3,498,045</b>	<b>3,640,898</b>	<b>3,758,088</b>
Full-time Equivalents Total*	28.50	28.50	28.50	28.50

*\* 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.*

# Personnel Compensation Trust Subfunds

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## Department Overview

The Personnel Compensation Trust Funds are six subfunds of the General Fund, five of which are administered by the Personnel Department and one of which is administered by the Department of Finance and Administrative Services (FAS). These six subfunds serve as a means to manage certain Citywide contractual obligations on behalf of employees and City departments. The administering department collects funds from other City departments, which are then paid out to various insurance companies, service providers, and individuals. The six subfunds are the Group Term Life Insurance Subfund, the Health Care Subfund, the Industrial Insurance Subfund, the Special Employment Subfund, the Unemployment Insurance Subfund, and the Transit Benefit Subfund.

The following subfunds are administered by the Personnel Department:

- The Health Care Subfund contains the revenues and expenses related to the City's medical, dental, and vision insurance programs; Flexible Spending Account program; Employee Assistance Program; and COBRA continuation coverage. The City is self-insured for both the Group Health and Aetna medical plans and one dental plan, and carries insurance for the remainder of the dental and vision plans.
- The Industrial Insurance Subfund captures the revenues and expenditures associated with the City's Workers' Compensation and Safety programs. Since 1972, the City of Seattle has been a self-insured employer as authorized under state law. The Industrial Insurance Subfund receives payments from City departments to pay for these costs and related administrative expenses.
- The Unemployment Insurance Subfund contains the revenues and expenditures associated with the City's unemployment benefit and administration costs. The City is a self-insured employer with respect to unemployment insurance.
- The Group Term Life Insurance Subfund contains the revenues and expenses related to the City's group term life insurance, long-term disability insurance, and accidental death and dismemberment insurance plans.
- The Special Employment Subfund contains the outside agency revenues and expenditures associated with the City's temporary, intern, and work study programs. Expenses related to employees hired by City departments through the Special Employment program are charged directly to the departments and do not pass through the Subfund.

The following subfund is managed by FAS:

- The Transit Benefit Subfund contains the revenues and expenditures associated with the City's employee transit subsidy program with King County Metro Transit as part of the Commute Trip Reduction program.

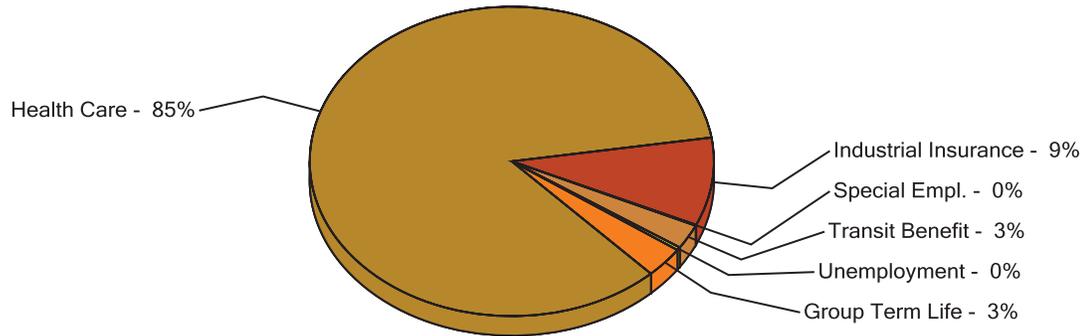
## Personnel Compensation Trust Subfunds

### Budget Snapshot

Department Support	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Other Funding - Operating	\$173,100,042	\$184,191,763	\$192,568,852	\$207,216,811
<b>Total Operations</b>	<b>\$173,100,042</b>	<b>\$184,191,763</b>	<b>\$192,568,852</b>	<b>\$207,216,811</b>
<b>Total Appropriations</b>	<b>\$173,100,042</b>	<b>\$184,191,763</b>	<b>\$192,568,852</b>	<b>\$207,216,811</b>
Full-time Equivalent Total*	0.00	0.00	0.00	0.00

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

### 2013 Proposed Budget - Revenue by Category



# Personnel Compensation Trust Subfunds

## Budget Overview

The following provides a summary of each of the six individual subfunds of the General Fund that comprise the Personnel Compensation Trust Funds.

**Health Care Subfund:** The City provides medical, dental, vision, and other benefits to employees and their enrolled family members. The expenses and revenues related to these benefits are accounted for in the Health Care Subfund. Total City health care costs (medical, dental, vision) almost doubled from approximately \$74 million in 2001 to approximately \$144 million in 2011. The General Fund pays for approximately half of the City's total health care costs in 2013 and 2014.

In 2012, the City's total health costs are expected to increase modestly over 2011 total costs. This projection is based on a review of health care claim activity as of mid-2012, indicating that overall costs incurred through the self-insured medical plan, the Preventive and Traditional options administered by Aetna, are trending at a lower level than was anticipated at the time that 2012 health care rates were set in mid-2011. In addition, a smaller number of catastrophic medical claims have been incurred to date in 2012 compared to forecast. While the City's long-term trend in health care costs is anticipated to continue to grow at roughly 8.0% per year, the City has experienced lower than average claims costs in both 2010 and 2011 after temporarily elevated cost levels in 2009. The lower-than-projected claim experience in 2012 is anticipated to result in a surplus for the Health Care Fund in 2012, and reduces the year-over-year rate increase to the Aetna self-insured medical plans required to cover anticipated cost growth in 2013, as described further below.

The 2013-2014 Proposed Budget continues to implement administrative efficiencies that have been identified by the Health Care Interdepartmental Team (HC IDT). The HC IDT was formed by the City Budget Office in 2011 to foster joint Council-Executive collaboration to evaluate the City's health plan spending, and to develop a longer term set of strategic health care policies. The HC IDT was developed to provide greater policy oversight for the City's health care benefits, given that this is a significant cost area for the City. The HC IDT's work serves to inform discussions of the City's Health Care Committee (HC2), which is comprised of representatives of the City and signatory unions of the Coalition of City Unions.

In 2013, the City will begin to self-insure the Group Health Standard and Deductible medical plans, similar to the approach currently taken with the medical plans administered by Aetna. The HC IDT recommendation to do so was developed in 2011 as a cost saving step that maintains the same level of medical benefits for enrolled employees and family members, while saving costs related to administration of the plans. The move to begin self-insuring Group Health medical plans was approved by the HC2 Committee as part of developing the 2013-2014 health care rates and plan designs. This approach will save the City nearly \$1 million in annual administrative expenses for State premium tax and risk charges that were incurred when fully insuring those plans. In 2013, no significant cost savings will be realized relative to self-insuring the City's Group Health plans, due to the decision to collect an additional \$2.1 million through rates for deposit into the Forecast Variance Reserve (FVR) within the Health Care Subfund in 2012. However, the administrative savings associated with self-insuring Group Health will be realized in each future year that the City continues to self-insure this medical plan. The FVR was established in 2011, with the agreement of HC2, to serve as a reserve to cover the additional risk that the City assumed in that year by discontinuing the purchase of stop loss insurance for the self-insured (Aetna) medical plans and newly self-insuring the City's Washington Dental Service (WDS) plan. The additional FVR funding relative to Group Health self insurance is a prudent action to address the added risks of a self-insured HMO plan.

For informational purposes, the following summarizes the changes in individual medical, dental and vision rates in 2013 over 2012. The rate increases associated with the medical, dental and vision plans for 2013-2014 are developed individually by the City's actuary, AonHewitt, based on rate-setting decisions made by HC2 for the self-insured plans, and acceptance of proposed rates from the insured plans. The rates are then blended into a single weighted average rate for all health (medical, dental and vision) benefits. Any actual changes in employee costs are subject to the terms of the collective bargaining agreements that govern health care benefits cost sharing between the City and employees.

## Personnel Compensation Trust Subfunds

- Medical:
  - Aetna: The rate increase for the City's self-insured medical plans increases by a very modest 2.3% over 2012. Because the City's current per employee per month rate for 2012 is expected to generate more revenue than necessary to cover actual medical costs, the percentage increase for 2013 reflects only the increment needed to cover additional anticipated costs in 2013. This modest rate increase maintains the \$1 million in annual administrative savings initially achieved in 2012 by foregoing stop loss insurance on the Aetna medical plans, and continues to cover this risk internally through the FVR.
  - Group Health: The Group Health medical plan rates increase by 10% in 2013 over 2012, compared to 13% year-over-year increase in rates in 2012 over 2011. This 10% rate increase in 2013 covers anticipated plan costs and funds a one-time initial contribution of \$2.1 million to the Forecast Variance Reserve to address incremental costs associated with self-insuring the City's Group Health plans. The FVR funding associated with Group Health will be evaluated in future years by AonHewitt, with any marginal FVR adjustments provided as part of future Group Health rate calculations. The City will continue to monitor annual administrative and rate savings associated with the change to self-insuring Group Health and will report out on this in future budget cycles.
- Dental: The City's dental plan rates increase by 5% and 3% in 2013 relative to 2012, respectively, for the Washington Dental Service (WDS) and Dental Health Service (DHS) plans.
- Vision: The City's vision plan, Vision Service Plan (VSP), will have rate decreases of 1% in 2013 over 2012 rates for both the basic VSP plan and for the VSP buy-up option which allows employees to purchase additional vision benefits.

In 2013, the City will continue to pursue efficiencies within the health care plans, and will work with the Coalition of City Unions to evaluate and implement additional changes as part of the 2014 rate setting process.

**Industrial Insurance Subfund:** The City's Industrial Insurance program shows a projected growth in workers' compensation claims experience, as well as changes in costs associated with administering this self-insured program. The underlying growth in medical costs is a large driver of the costs for this expense. The medical portion of claims costs are expected to grow by approximately 5% in 2013 and 2014 over expected claims during 2012. Time loss claims costs, which represent wage replacement costs for occupationally ill/injured employees, are expected to grow by 3.2% in 2013-2014 over 2012. The accumulated fund balance within the Industrial Insurance Subfund makes it possible to provide Citywide subsidies to departments in 2013 and 2014. The subsidies partially reduce the Industrial Insurance charges paid by City departments. Overall costs include fees levied by the Washington State Department of Labor and Industries, reinsurance premiums, and the Personnel Department's administrative costs to manage the program, which are increased in 2013. These changes result in an ending unreserved fund balance for the Industrial Insurance Subfund that is considered sufficient to maintain the fund in a healthy financial position moving forward.

**Unemployment Subfund:** Unemployment costs increased significantly during the ongoing economic recession, from approximately \$1 million in 2008 to \$3 million in 2010. Unemployment costs in 2012 were anticipated to be \$2.8 million at the time that the 2012 Adopted Budget was developed in mid-2011. In mid-2012, the City's unemployment forecast indicate that 2012 unemployment claims are likely to total only \$2 million, resulting in additional funds accruing to the fund balance within the Unemployment Subfund in 2012.

The mid-2012 updated forecast indicates that unemployment claims are likely to total approximately \$1.3 million in 2013 and \$950,000 in 2014 due to the continued overall anticipated improvement in economic conditions in 2013. The accumulated fund balance within the Unemployment Subfund makes it possible to use some of the unreserved fund balance in 2013 to partially subsidize all departments other than SPU and SCL, which stopped receiving a share of the unreserved fund balance beginning in 2012. In 2014, unreserved fund balance will be used to subsidize all departments other than SPU, SCL, and DPD which will transition to billing based on actual claims similar to SPU and SCL billing in 2013. These changes result in an ending

## Personnel Compensation Trust Subfunds

unreserved fund balance for the Unemployment Subfund that is considered sufficient to maintain the fund in a healthy financial position moving forward.

**Group Term Life Subfund:** There are no substantive changes from the 2012 Adopted Budget to the 2013-2014 Proposed Budget. The Subfund expenses related to providing Group Term Life and Long Term Disability optional benefits are projected to increase by a combined total of 4% in 2013 over 2012. These expenses within the Subfund are fully supported by employee and department contributions.

**Special Employment Subfund:** There are no substantive changes from the 2012 Adopted Budget to the 2013-2014 Proposed Budget. The Subfund reflects the anticipated level of activity in 2013 and 2014 resulting from revenues and expenditures associated with outside agencies accessing the City's temporary, intern, and work study programs.

**Transit Benefit Subfund:** The 2012 Adopted Budget of \$4.9 million assumed a 5.5% increase in Washington State Ferry (WSF) rates, no increase in Metro rates and little change in usage relative to 2011. The 2013 Proposed Budget is maintained at \$4.9 million and assumes no increases in rates affecting the City's subsidy costs and minimal changes in usage. The 2014 Proposed Budget assumes a 10% increase in Metro fares, or the equivalent of a \$0.25 increase in costs for the 1-zone pass, and a 5.5% increase in WSF fares. These result in a \$500,000 increase to City transit subsidy costs in 2014, for a total appropriation of \$5.4 million in that year.

### Incremental Budget Changes

#### Personnel Compensation Trust Subfunds

#### Health Care Subfund (00627)

	2013 Budget	FTE	2014 Budget	FTE
<b>Total 2012 Adopted Budget</b>	<b>\$ 152,611,802</b>	<b>0.00</b>	<b>\$ 152,611,802</b>	<b>0.00</b>
<b>Proposed Policy Changes</b>				
Claims & Premiums Expense	\$ 9,113,953	0.00	\$22,598,174	0.00
<b>Total Incremental Changes</b>	<b>\$9,113,953</b>	<b>0.00</b>	<b>\$22,598,174</b>	<b>0.00</b>
<b>2013 Proposed/2014 Proposed Budget</b>	<b>\$161,725,852</b>	<b>0.00</b>	<b>\$175,209,976</b>	<b>0.00</b>

#### Description of Incremental Budget Changes

##### Proposed Policy Changes

##### **Claims & Premiums Expense - \$9,113,953**

The 2013 Proposed Budget reflects an increase of \$9.1 million, from \$152.6 million to \$161.7 million, over the total 2012 Adopted Budget for health care claims and premiums expenses. This year over year increase of approximately 6% is due to the underlying growth in health care costs, and is less than the City's long term growth trend in health care costs of 8%. The 2014 estimated increase over 2013 of \$13.5 million represents an anticipated growth rate of approximately 8.5%.

## Personnel Compensation Trust Subfunds

### Industrial Ins. Subfund (00516)

	2013 Budget	FTE	2014 Budget	FTE
<b>Total 2012 Adopted Budget</b>	<b>\$ 17,372,740</b>	<b>0.00</b>	<b>\$ 17,372,740</b>	<b>0.00</b>
<b>Proposed Policy Changes</b>				
Increase in Pension Payouts	\$ 150,000	0.00	\$ 250,000	0.00
Increase in Claims Activity	\$ 530,000	0.00	\$ 1,020,000	0.00
<b>Proposed Technical Changes</b>				
Technical Adjustments	\$ 277,260	0.00	\$ 528,260	0.00
<b>Total Incremental Changes</b>	<b>\$ 957,260</b>	<b>0.00</b>	<b>\$ 1,798,260</b>	<b>0.00</b>
<b>2013 Proposed/2014 Proposed Budget</b>	<b>\$ 18,330,000</b>	<b>0.00</b>	<b>\$ 19,171,000</b>	<b>0.00</b>

### Description of Incremental Budget Changes

#### Proposed Policy Changes

##### **Increase in Pension Payouts - \$150,000**

This change reflects an increase of \$250,000 in the City's reserve for pension payouts of \$2.25 million in 2013 relative to \$2.0 million in the 2012 Adopted Budget.

##### **Increase in Claims Activity - \$530,000**

This change reflects an increase in the projected growth in the workers' compensation claim experience, resulting in a budget increase of approximately \$530,000 in 2013, relative to the 2012 Adopted Budget. The accumulated fund balance within the Industrial Insurance Subfund makes it possible to provide total, citywide subsidies to departments in 2013 and 2014 to partially reduce the charges to City departments.

#### Proposed Technical Changes

##### **Technical Adjustments - \$277,260**

This change adjusts the anticipated expenses in 2013 for the Washington State Labor & Industries, various professional services contracts included in this Subfund as compared to the 2012 Adopted Budget.

## Personnel Compensation Trust Subfunds

### Unemployment Ins. Subfund (00517)

	2013 Budget	FTE	2014 Budget	FTE
<b>Total 2012 Adopted Budget</b>	\$ 2,821,162	0.00	\$ 2,821,162	0.00
<b>Proposed Policy Changes</b>				
Decrease in Unemployment Claims	-\$ 1,529,026	0.00	-\$ 1,833,534	0.00
<b>Proposed Technical Changes</b>				
Technical Adjustments	\$ 8,641	0.00	\$ 13,641	0.00
<b>Total Incremental Changes</b>	<b>-\$1,520,385</b>	<b>0.00</b>	<b>-\$1,819,893</b>	<b>0.00</b>
<b>2013 Proposed/2014 Proposed Budget</b>	<b>\$1,300,777</b>	<b>0.00</b>	<b>\$1,001,269</b>	<b>0.00</b>

### Description of Incremental Budget Changes

#### Proposed Policy Changes

##### **Decrease in Unemployment Claims - (\$1,529,026)**

This change decreases the projected unemployment claims by approximately \$1.5 million as compared to the 2012 Adopted Budget, resulting in a net change in total projection from \$2.8 to \$1.3 million due to the continued overall anticipated improvement in economic conditions in 2013. The accumulated fund balance within the Unemployment Subfund makes it possible to use some of the unreserved fund balance in 2013 to partially subsidize all departments other than SPU and SCL, which stopped receiving a share of the unreserved fund balance beginning in 2012.

#### Proposed Technical Changes

##### **Technical Adjustments - \$8,641**

This change increases the professional services budget slightly compared to the 2012 Adopted Budget.

## Personnel Compensation Trust Subfunds

### Group Term Life Ins. Subfund (00628)

	2013 Budget	FTE	2014 Budget	FTE
<b>Total 2012 Adopted Budget</b>	\$ 6,164,483	0.00	\$ 6,164,483	0.00
<b>Proposed Technical Changes</b>				
Technical Adjustments	-\$ 52,163	0.00	\$ 70,083	0.00
<b>Total Incremental Changes</b>	\$ 6,112,320	0.00	\$ 6,234,566	0.00
<b>2013 Proposed/2014 Proposed Budget</b>	\$ 6,112,320	0.00	\$ 6,234,566	0.00

### Description of Incremental Budget Changes

#### Proposed Policy Changes

#### Technical Adjustments – (\$52,163)

The 2013 Proposed Budget reflects minor changes in projections for the Long Term Disability premiums and the Group Term Life Insurance and Accidental Death and Dismemberment premiums compared to the 2012 Adopted Budget. Long Term Disability premiums are expected to decrease by approximately \$148,000, while Group Term Life Insurance and Accidental Death and Dismemberment premiums are expected to increase by approximately \$96,000 in the 2013 Proposed Budget compared to the 2012 Adopted Budget.

### Special Employment Subfund (00515)

	2013 Budget	FTE	2014 Budget	FTE
<b>Total 2012 Adopted Budget</b>	\$ 321,576	0.00	\$ 321,576	0.00
<b>Proposed Technical Changes</b>				
Technical Adjustments	-\$ 121,576	0.00	-\$ 121,576	0.00
<b>Total Incremental Changes</b>	-\$ 121,576	0.00	-\$ 121,576	0.00
<b>2013 Proposed/2014 Proposed Budget</b>	\$ 200,000	0.00	\$ 200,000	0.00

## Personnel Compensation Trust Subfunds

### Description of Incremental Budget Changes

#### Proposed Technical Changes

#### Technical Adjustments – (\$121,576)

The 2013 Proposed Budget reflects a decrease in the anticipated level of activity associated with outside agencies accessing the City's temporary, intern, and work study programs compared to the 2012 Adopted Budget.

### Transit Benefit Subfund (00410)

	2013 Budget	FTE	2014 Budget	FTE
<b>Total 2012 Adopted Budget</b>	<b>\$ 4,900,000</b>	<b>0.00</b>	<b>\$ 4,900,000</b>	<b>0.00</b>
<b>Proposed Policy Changes</b>				
Transit Fare Increases	\$ 0	0.00	\$ 500,000	0.00
<b>Total Incremental Changes</b>	<b>\$ 0</b>	<b>0.00</b>	<b>\$ 0</b>	<b>0.00</b>
<b>2013 Proposed/2014 Proposed Budget</b>	<b>\$ 4,900,000</b>	<b>0.00</b>	<b>\$ 5,400,000</b>	<b>0.00</b>

### Description of Incremental Budget Changes

#### Proposed Policy Changes

#### Transit Fare Increases

There are no changes from the 2012 Adopted Budget to the 2013 Proposed Budget. The 2013 Proposed Budget assumes no increases in rates affecting the City's subsidy costs and minimal changes in usage. The 2014 Proposed Budget assumes a 10% increase in Metro fares (\$0.25 for the 1-zone pass) and a 5.5% increase in Washington State Ferry fares. These result in a \$500,000 increase to City transit subsidy costs for a total appropriation of \$5,400,000 in 2014.

## Personnel Compensation Trust Subfunds

### Expenditure Overview

Appropriations	Summit Code	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Health Care Budget Control Level	NM000	144,121,255	152,611,802	161,725,755	175,209,976
Industrial Insurance Budget Control Level	NR500	15,878,823	17,372,740	18,330,000	19,171,000
Unemployment Insurance Budget Control Level	NS000	2,861,828	2,821,162	1,300,777	1,001,269
Group Term Life Budget Control Level	NA000	5,554,010	6,164,483	6,112,320	6,234,566
Special Employment Budget Control Level	NT000	58,549	321,576	200,000	200,000
Transit Benefit Budget Control Level	TRANSIT B1	4,625,577	4,900,000	4,900,000	5,400,000
<b>Department Total</b>		<b>173,100,042</b>	<b>184,191,763</b>	<b>192,568,852</b>	<b>207,216,811</b>
<b>Department Full-time Equivalent Total*</b>		<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

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

## Personnel Compensation Trust Subfunds

### Revenue Overview

#### 2013 Estimated Revenues for the Health Care Subfund (00627)

Summit Code	Source	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
469990	Health Care Fund - All Revenues	144,730,713	153,881,884	161,778,926	171,690,889
<b>Total Revenue</b>		<b>144,730,713</b>	<b>153,881,884</b>	<b>161,778,926</b>	<b>171,690,889</b>
379100	Use of (Contribution to) Fund Balance	-609,458	-1,270,082	-53,171	3,519,087
<b>Total Use of Fund Balance</b>		<b>-609,458</b>	<b>-1,270,082</b>	<b>-53,171</b>	<b>3,519,087</b>
<b>Total Resources</b>		<b>144,121,255</b>	<b>152,611,802</b>	<b>161,725,755</b>	<b>175,209,976</b>

#### 2013 Estimated Revenues for the Industrial Insurance Subfund (00516)

Summit Code	Source	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
569550	Ind Ins. Fund - All Revenues	15,695,348	16,622,740	17,580,000	18,771,000
<b>Total Revenue</b>		<b>15,695,348</b>	<b>16,622,740</b>	<b>17,580,000</b>	<b>18,771,000</b>
379100	Use of (Contribution to) Fund Balance	183,475	750,000	750,000	400,000
<b>Total Use of Fund Balance</b>		<b>183,475</b>	<b>750,000</b>	<b>750,000</b>	<b>400,000</b>
<b>Total Resources</b>		<b>15,878,823</b>	<b>17,372,740</b>	<b>18,330,000</b>	<b>19,171,000</b>

## Personnel Compensation Trust Subfunds

### 2013 Estimated Revenues for the Unemployment Insurance Subfund (00517)

Summit Code	Source	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
569570	Unemployment fund - All Revenues	5,106,389	1,521,162	646,493	317,208
<b>Total Revenue</b>		<b>5,106,389</b>	<b>1,521,162</b>	<b>646,493</b>	<b>317,208</b>
379100	Use of (Contribution to) Fund Balance	-2,244,561	1,300,000	654,284	684,061
<b>Total Use of Fund Balance</b>		<b>-2,244,561</b>	<b>1,300,000</b>	<b>654,284</b>	<b>684,061</b>
<b>Total Resources</b>		<b>2,861,828</b>	<b>2,821,162</b>	<b>1,300,777</b>	<b>1,001,269</b>

### 2013 Estimated Revenues for the Group Term Life Insurance Subfund (00628)

Summit Code	Source	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
461110	GTL & LTD - Interest	9,185	10,000	10,000	10,000
469640	GTL - Employee Contribution	2,706,024	3,247,686	3,238,800	3,303,576
469660	LTD - Employee Contribution	2,095,699	2,163,273	2,013,720	2,053,994
569540	GTL - Department Contribution	480,124	455,837	561,000	572,220
569560	LTD - Department Contribution	273,109	297,687	298,800	304,776
461320	Unrealized Gain/(Loss)	786	0	0	0
<b>Total Revenue</b>		<b>5,564,927</b>	<b>6,174,483</b>	<b>6,122,320</b>	<b>6,244,566</b>
379100	Use of (Contribution to) Fund Balance	-10,917	-10,000	-10,000	-10,000
<b>Total Use of Fund Balance</b>		<b>-10,917</b>	<b>-10,000</b>	<b>-10,000</b>	<b>-10,000</b>
<b>Total Resources</b>		<b>5,554,010</b>	<b>6,164,483</b>	<b>6,112,320</b>	<b>6,234,566</b>

## Personnel Compensation Trust Subfunds

### 2013 Estimated Revenues for the Special Employment Program Subfund (00515)

Summit Code	Source	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
411960	Special Employment Fund - All Revenues	94,753	321,576	200,000	200,000
<b>Total Revenue</b>		<b>94,753</b>	<b>321,576</b>	<b>200,000</b>	<b>200,000</b>
379100	Use of (Contribution to) Fund Balance	-36,204	0	0	0
<b>Total Use of Fund Balance</b>		<b>-36,204</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Resources</b>		<b>58,549</b>	<b>321,576</b>	<b>200,000</b>	<b>200,000</b>

### 2013 Estimated Revenues for the Transit Benefit Subfund (00410)

Summit Code	Source	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
520670	Interfund Transit Subsidy Revenue	4,625,577	4,900,000	4,900,000	5,400,000
<b>Total Revenue</b>		<b>4,625,577</b>	<b>4,900,000</b>	<b>4,900,000</b>	<b>5,400,000</b>
<b>Total Resources</b>		<b>4,625,577</b>	<b>4,900,000</b>	<b>4,900,000</b>	<b>5,400,000</b>

## Personnel Compensation Trust Subfunds

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

#### Health Care Budget Control Level

The purpose of the Health Care Budget Control Level is to provide for the City's medical, dental, and vision insurance programs; the Flexible Spending Account; the Employee Assistance Program; and COBRA continuation coverage costs.

Program Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Health Care Program	144,121,255	152,611,802	161,725,755	175,209,976
<b>Total</b>	<b>144,121,255</b>	<b>152,611,802</b>	<b>161,725,755</b>	<b>175,209,976</b>

#### Industrial Insurance Budget Control Level

The purpose of the Industrial Insurance Budget Control Level is to provide for medical, wage replacement, pension, and disability claims related to occupational injuries and illnesses, occupational medical monitoring, workplace safety programs, and related expenses.

Program Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Industrial Insurance Program	15,878,823	17,372,740	18,330,000	19,171,000
<b>Total</b>	<b>15,878,823</b>	<b>17,372,740</b>	<b>18,330,000</b>	<b>19,171,000</b>

#### Unemployment Insurance Budget Control Level

The purpose of the Unemployment Insurance Budget Control Level is to provide the budget authority for the City to pay unemployment compensation expenses.

Program Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Unemployment Insurance Program	2,861,828	2,821,162	1,300,777	1,001,269
<b>Total</b>	<b>2,861,828</b>	<b>2,821,162</b>	<b>1,300,777</b>	<b>1,001,269</b>

#### Group Term Life Budget Control Level

The purpose of the Group Term Life Budget Control Level is to provide appropriation authority for the City's group term life insurance, long-term disability insurance, and accidental death and dismemberment insurance.

Program Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Group Term Life Program	5,554,010	6,164,483	6,112,320	6,234,566
<b>Total</b>	<b>5,554,010</b>	<b>6,164,483</b>	<b>6,112,320</b>	<b>6,234,566</b>

## Personnel Compensation Trust Subfunds

### **Special Employment Budget Control Level**

The purpose of the Special Employment Budget Control Level is to capture the expenditures associated with outside agency use of the City's temporary, intern, and work study programs. Outside agencies reimburse the City for costs. Expenses related to employees hired by City departments through the Special Employment Program are charged directly to the departments.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Special Employment Program	58,549	321,576	200,000	200,000
<b>Total</b>	<b>58,549</b>	<b>321,576</b>	<b>200,000</b>	<b>200,000</b>

### **Transit Benefit Budget Control Level**

The purpose of the Transit Benefit Budget Control Level is to provide appropriation authority for the transit benefits offered to City employees. The Transit Benefit Subfund receives payments from Finance General and fee-supported departments to pay for reduced-cost King County Metro and Washington State Ferry transit passes and related administrative expenses.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Transit Benefit Program	4,625,577	4,900,000	4,900,000	5,400,000
<b>Total</b>	<b>4,625,577</b>	<b>4,900,000</b>	<b>4,900,000</b>	<b>5,400,000</b>

## Personnel Compensation Trust Subfunds

### Personnel Compensation Trust Subfunds Fund Table

#### Health Care Subfund (00627)

	2011 Actuals	2012 Adopted	2012 Revised	2013 Proposed	2014 Proposed
<b>Beginning Fund Balance</b>	<b>33,355,800</b>	<b>36,605,454</b>	<b>33,965,257</b>	<b>39,433,196</b>	<b>39,486,367</b>
Accounting and Technical Adjustments	0	0	0	0	0
Plus: Actual and Estimated Revenues	144,730,713	153,881,884	153,835,726	161,778,926	171,690,889
Less: Actual and Budgeted Expenditures	144,121,255	152,611,802	148,367,787	161,725,755	175,209,976
<b>Ending Fund Balance</b>	<b>33,965,258</b>	<b>37,875,536</b>	<b>39,433,196</b>	<b>39,486,367</b>	<b>35,967,280</b>
Reserve - Forecast Variance	1,300,000	5,394,000	5,394,000	7,644,000	7,873,320
Reserve - Health Care Purposes	23,638,277	20,217,536	25,012,215	22,815,386	19,066,979
Reserve - State Law	9,026,981	12,264,000	9,026,981	9,026,981	9,026,981
<b>Total Reserves</b>	<b>33,965,258</b>	<b>37,875,536</b>	<b>39,433,196</b>	<b>39,486,367</b>	<b>35,967,280</b>
<b>Ending Unreserved Fund Balance</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

#### Industrial Insurance Subfund (00516)

	2011 Actuals	2012 Adopted	2012 Revised	2013 Proposed	2014 Proposed
<b>Beginning Fund Balance</b>	<b>6,212,074</b>	<b>6,363,923</b>	<b>6,028,599</b>	<b>5,269,949</b>	<b>4,519,949</b>
Accounting and Technical Adjustments	0	0	0	0	0
Plus: Actual and Estimated Revenues	15,695,348	16,622,740	16,422,740	17,580,000	18,771,000
Less: Actual and Budgeted Expenditures	15,878,823	17,372,740	17,181,390	18,330,000	19,171,000
<b>Ending Fund Balance</b>	<b>6,028,599</b>	<b>5,613,923</b>	<b>5,269,949</b>	<b>4,519,949</b>	<b>4,119,949</b>
Reserve State Requirement	2,628,607	2,960,000	2,910,000	3,130,000	3,277,500
<b>Total Reserves</b>	<b>2,628,607</b>	<b>2,960,000</b>	<b>2,910,000</b>	<b>3,130,000</b>	<b>3,277,500</b>
<b>Ending Unreserved Fund Balance</b>	<b>3,399,992</b>	<b>2,653,923</b>	<b>2,359,949</b>	<b>1,389,949</b>	<b>842,449</b>

## Personnel Compensation Trust Subfunds

### Unemployment Insurance Subfunds (00517)

	2011 Actuals	2012 Adopted	2012 Revised	2013 Proposed	2014 Proposed
<b>Beginning Fund Balance</b>	<b>627,563</b>	<b>2,543,426</b>	<b>2,872,124</b>	<b>2,323,989</b>	<b>1,669,705</b>
Accounting and Technical Adjustments	0	0	0	0	0
Plus: Actual and Estimated Revenues	5,106,389	1,521,162	1,520,000	646,493	317,208
Less: Actual and Budgeted Expenditures	2,861,828	2,821,162	2,068,135	1,300,777	1,001,269
<b>Ending Fund Balance</b>	<b>2,872,124</b>	<b>1,243,426</b>	<b>2,323,989</b>	<b>1,669,705</b>	<b>985,644</b>
Reserve Against Fund Balance	500,000	500,000	500,000	500,000	500,000
<b>Total Reserves</b>	<b>500,000</b>	<b>500,000</b>	<b>500,000</b>	<b>500,000</b>	<b>500,000</b>
<b>Ending Unreserved Fund Balance</b>	<b>2,372,124</b>	<b>743,426</b>	<b>1,823,989</b>	<b>1,169,705</b>	<b>485,644</b>

### Group Term Life Insurance Subfund (00628)

	2011 Actuals	2012 Adopted	2012 Revised	2013 Proposed	2014 Proposed
<b>Beginning Fund Balance</b>	<b>426,354</b>	<b>436,354</b>	<b>437,271</b>	<b>446,271</b>	<b>456,271</b>
Accounting and Technical Adjustments	0	0	0	0	0
Plus: Actual and Estimated Revenues	5,564,927	6,174,483	5,879,000	6,122,320	6,244,566
Less: Actual and Budgeted Expenditures	5,554,010	6,164,483	5,870,000	6,112,320	6,234,566
<b>Ending Fund Balance</b>	<b>437,271</b>	<b>446,354</b>	<b>446,271</b>	<b>456,271</b>	<b>466,271</b>
<b>Ending Unreserved Fund Balance</b>	<b>437,271</b>	<b>446,354</b>	<b>446,271</b>	<b>456,271</b>	<b>466,271</b>

## Personnel Compensation Trust Subfunds

### Special Employment Program Subfund (00515)

	2011 Actuals	2012 Adopted	2012 Revised	2013 Proposed	2014 Proposed
<b>Beginning Fund Balance</b>	<b>82,596</b>	<b>82,596</b>	<b>118,800</b>	<b>118,800</b>	<b>118,800</b>
Accounting and Technical Adjustments	0	0	0	0	0
Plus: Actual and Estimated Revenues	94,753	321,576	200,000	200,000	200,000
Less: Actual and Budgeted Expenditures	58,549	321,576	200,000	200,000	200,000
<b>Ending Fund Balance</b>	<b>118,800</b>	<b>82,596</b>	<b>118,800</b>	<b>118,800</b>	<b>118,800</b>
<b>Ending Unreserved Fund Balance</b>	<b>118,800</b>	<b>82,596</b>	<b>118,800</b>	<b>118,800</b>	<b>118,800</b>

### Transit Benefit Subfund (00410)

	2011 Actuals	2012 Adopted	2012 Revised	2013 Proposed	2014 Proposed
<b>Beginning Fund Balance</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Accounting and Technical Adjustments	0	0	0	0	0
Plus: Actual and Estimated Revenues	4,625,577	4,900,000	4,900,000	4,900,000	5,400,000
Less: Actual and Budgeted Expenditures	4,625,577	4,900,000	4,900,000	4,900,000	5,400,000
<b>Ending Fund Balance</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Ending Unreserved Fund Balance</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

# Personnel Department

David Stewart, Director

Department Information Line: (206) 684-7999

On the Web at: <http://www.seattle.gov/Personnel>



## Department Overview

The Personnel Department provides human resource services, tools, and expert consultative assistance to departments, policymakers, employees, and the public so the City of Seattle's diverse work force is deployed, supported, and managed fairly to accomplish the City's business goals in a cost-effective and safe manner. The Personnel Department has four primary areas of operation:

- The Employment and Training section provides recruitment and staffing services, mediation, employee development opportunities, contingent workforce oversight, and technical assistance to all City departments so that the City can meet its hiring needs efficiently, comply with legal guidelines, and help departments and employees accomplish the City's work.
- The Employee Health Services section provides quality, cost-effective employee benefits, health care benefits, workers' compensation benefits, and safety services, all of which maintain and promote employee health and productivity, and provide a competitive non-cash compensation package. In addition, this section administers the Seattle Voluntary Deferred Compensation Plan and Trust.
- The Citywide Personnel Services section establishes citywide personnel rules and provides human resources systems, policy advice, information management, finance and accounting services, and expert consultative assistance to departments, policymakers, and employees so that the City can accomplish its business goals in a cost-effective manner. This section includes Policy Development, Information Management, Finance, Budget and Accounting, the Employee Giving and Volunteer Program, Unemployment, and other internal support services.
- The City/Union Relations and Classification/Compensation section negotiates and administers a personnel system for both represented and non-represented employees with the intention of fairly classifying and compensating the City's diverse work force.
  - The City/Union Relations staff provide labor/employee relations services to policymakers and to management staff of City departments, and establish citywide personnel policy.

## Personnel Department

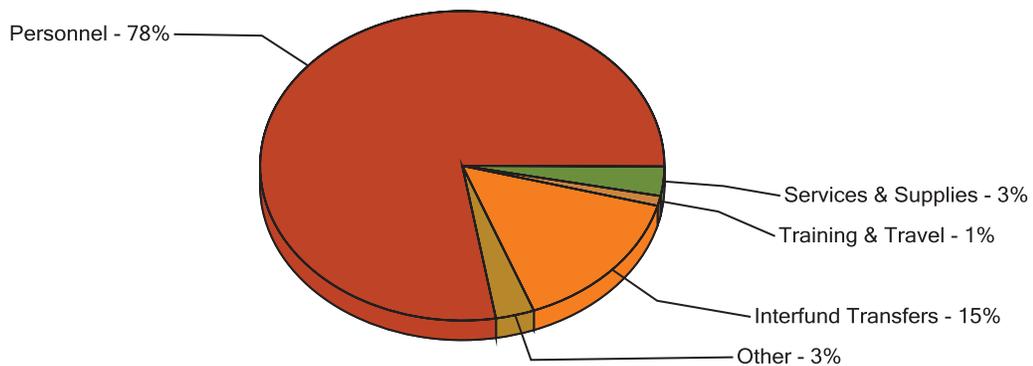
- The Classification and Compensation staff develop pay programs, perform compensation analysis, and provide classification services and organizational consultation to all City departments.

### Budget Snapshot

Department Support	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
General Fund Support	\$11,252,537	\$11,530,794	\$11,814,747	\$12,171,263
Other Funding - Operating	\$0	\$0	\$0	\$0
<b>Total Operations</b>	<b>\$11,252,537</b>	<b>\$11,530,794</b>	<b>\$11,814,747</b>	<b>\$12,171,263</b>
<b>Total Appropriations</b>	<b>\$11,252,537</b>	<b>\$11,530,794</b>	<b>\$11,814,747</b>	<b>\$12,171,263</b>
Full-time Equivalent Total*	104.25	105.25	103.75	103.75

*\* 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.*

### 2013 Proposed Budget - Expenditure by Category



# Personnel Department

## Budget Overview

In developing the 2013-2014 Proposed Budget, Personnel reviewed its internal operations with a focus on performing mandatory functions with greater efficiency. The Department's budget is primarily comprised of labor costs. Through careful financial management, Personnel is able to reduce positions and identify alternative ways of accomplishing this work while prioritizing quality direct services to other City departments. The reductions made in the Proposed Budget allow for a reprioritization of resources. The Proposed Budget increases staffing capacity in areas considered critical and central to the future work of the Department. The Department will continue to perform the same core functions and minimal impact is expected to overall levels of service in 2013-2014.

The Proposed Budget eliminates three existing positions. A Strategic Advisor 1 safety position is eliminated and the mandatory work associated with this position will be shifted to the Industrial Hygienist position. Beginning in 2013, the Industrial Hygienist position will conduct all medical surveillance activities not currently conducted independently by City departments. In addition, the position will share best practices and new state or federal requirements with safety staff in other City departments, certify the annual federal Occupational Safety and Health report, and coordinate with vendors to perform tests to determine if City employees are fit for employment and to return to work.

The Proposed Budget also eliminates a Manager 2 position that manages security for NeoGov and monitors its use and reporting by departments. The position is also involved with portions of Police and Fire recruitment and testing, and the Seattle Youth Employment Program (SYEP). Managing the NeoGov installation will be reassigned to the Information Management Group or to another Employment Services Division employee in Personnel. Police and Fire recruitment, conducted under the direction of the Public Safety Civil Service Commission (PSCSC) members of the Joint Commission, will be fully assumed by other staff currently performing those duties. SYEP duties will be distributed among other employees within Personnel and Citywide who are already performing those duties.

The Proposed Budget also eliminates a vacant Human Resources Information System (HRIS) Specialist position responsible for generating reports and analyzing information from the payroll and position databases. This reduction in staff will decrease Personnel's ability to analyze workforce trend data and increase turn-around time in generating reports. During times of peak workloads, some reporting may be delayed and non-mandated reporting will not be prioritized.

The 2013-2014 Proposed Budget increases staff capacity to perform critical work for the City related to the Americans with Disability Act (ADA). The ADA Coordinator position coordinates legally required accommodations within and between departments when an employee who has been disabled on or off the job and cannot perform the essential functions of their job. The position was reduced to half-time in the 2011 Adopted Budget and this change realigns the position with the full-time body of work that the Department is continuing to experience.

The Proposed Budget also adds a Strategic Advisor I to the Director's Office to assist with the development of a Citywide Human Resource (HR) strategic plan. This work was the primary recommendation resulting from an HR consultant study performed in 2010. The focus of the work will be to develop and provide Citywide coordination of decisions involving training and development, performance management, consistency in practice, recruitment and selection. It will also bring consistency in the application of corrective action and discipline. This position will also work on creating effective succession plans and recruitment strategies. At the same time, Personnel is continuing to evaluate all components of the Department's own operations. A strategic planning process is now underway that includes key initiatives around collaboration, customer focus, and reprioritization and resizing of services and programs. This process will result in the development of a strategic plan that will help guide Department policies and inform future decisions. The results of this strategic planning process will inform future budgets and provide a framework for future operational changes.

In addition to reviewing positions and staffing efficiencies, Personnel evaluated the funding for various staff and programs in the Department. As a result, the Proposed Budget adjusts the charges to the Deferred Compensation account to align with the actual costs incurred by that function.

## Personnel Department

### Incremental Budget Changes

#### Personnel Department

	2013		2014	
	Budget	FTE	Budget	FTE
<b>Total 2012 Adopted Budget</b>	<b>\$ 11,530,793</b>	<b>105.25</b>	<b>\$ 11,530,793</b>	<b>105.25</b>
<b>Baseline Changes</b>				
Citywide Adjustments for Standard Cost Changes	\$ 469,042	0.00	\$ 865,894	0.00
Net-Zero Transfer Between BCLs to Align Budget with Actual Costs	\$ 0	0.00	\$ 0	0.00
Align Budget to Actual Salaries	\$ 46,602	0.00	\$ 47,790	0.00
<b>Proposed Policy Changes</b>				
Eliminate Vacant Position	-\$ 96,000	-1.00	-\$ 100,000	-1.00
Eliminate Positions to Achieve Efficiency	-\$ 266,000	-2.00	-\$ 273,700	-2.00
Increase Positions to Meet Workload Demand	\$ 193,100	1.50	\$ 199,100	1.50
<b>Proposed Technical Changes</b>				
Final Citywide Adjustments for Standard Cost Changes	-\$ 62,790	0.00	-\$ 98,614	0.00
Technical Adjustment	\$ 0	0.00	\$ 0	0.00
<b>Total Incremental Changes</b>	<b>\$ 283,954</b>	<b>-1.50</b>	<b>\$ 640,470</b>	<b>-1.50</b>
<b>2013 - 2014 Proposed Budget</b>	<b>\$ 11,814,747</b>	<b>103.75</b>	<b>\$ 12,171,263</b>	<b>103.75</b>

### Description of Incremental Budget Changes

#### Baseline Changes

##### **Citywide Adjustments for Standard Cost Changes - \$469,042**

Citywide technical adjustments made in the "Baseline Phase" reflect changes due to inflation, central cost allocations, retirement, health care, workers' compensation, and employment costs. These adjustments reflect initial assumptions about these costs and inflators early in the budget process.

##### **Net-Zero Transfer Between BCLs to Align Budget with Actual Costs**

These changes are net-zero adjustments between BCLs and accounts to align the budget with actual expenditures.

##### **Align Budget to Actual Salaries - \$46,602**

This change provides budget authority in response to a compensation ruling. It corrects for wage discrepancies that existed within two job classes.

# Personnel Department

## Proposed Policy Changes

### **Eliminate Vacant Position - (\$96,000)/(1.00) FTE**

This reduction eliminates a vacant HRIS Specialist position responsible for generating reports and analyzing information from the payroll and position databases. Existing staff will absorb the bulk of this work. During times of peak workloads, some reporting may be delayed, and non-mandated reporting will not be prioritized.

### **Eliminate Positions to Achieve Efficiency - (\$266,000)/(2.00) FTE**

This change eliminates a Manager 2 and a Strategic Advisor 1 as part of the Department's review of internal operations. The Manager 2 performs work related to the NeoGov system, Police and Fire recruitment and testing, and the Seattle Youth Employment Program (SYEP). This work will be taken on by other Personnel staff, and in the case of SYEP, other City departments that already perform work in that area will operate more autonomously. The Department also eliminates a Strategic Advisor 1 position responsible for providing consultative services to departments regarding medical testing requirements, occupational health conditions, and fitness for duty. The mandatory work associated with this position will be assumed by the Industrial Hygienist position. There are no expected impacts in services provided to other City departments, and in both cases, the work will be absorbed by existing staff.

### **Increase Positions to Meet Workload Demand - \$193,100/1.50 FTE**

This adjustment adds a Strategic Advisor I to the Director's Office to assist with the development of a Citywide Human Resource (HR) strategic plan. This will allow the Department to develop and provide Citywide coordination of decisions involving training and development, performance management, consistency in practice, recruitment and selection, as well as bring consistency in the application of corrective action and discipline - actions currently made at an agency level. This work was the primary recommendation resulting from a Human Resource consultant study performed in 2010. This position will also work on creating effective succession plans and recruitment strategies. Additionally, the Strategic Advisor I responsible for compliance with the Americans with Disabilities Act (ADA) and Equal Employment Opportunity (EEO) that was reduced to half-time in the 2011 Adopted Budget will be restored to full-time to accurately align staffing with the work load. This position coordinates legally required accommodations within and between departments when an employee who has been disabled on or off the job and cannot perform the essential functions of their job.

## Proposed Technical Changes

### **Final Citywide Adjustments for Standard Cost Changes - (\$62,790)**

Citywide technical adjustments made in the "Proposed Phase" reflect changes due to inflation, central cost allocations, retirement, health care, workers' compensation, and unemployment costs. These adjustments typically reflect updates to preliminary cost assumptions established in the "Baseline Phase."

### **Technical Adjustment**

Technical adjustments include departmental and citywide non-programmatic adjustments that do not represent fundamental changes in Personnel's service delivery. This change represents a net-zero Departmental transfers between several account groups and BCLs to better align the budget with spending.

## Personnel Department

### Expenditure Overview

Appropriations	Summit Code	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
City/Union Relations and Class/Comp Services Budget Control Level	N4000	3,794,755	3,210,651	3,391,171	3,496,441
Citywide Personnel Services Budget Control Level	N3000	1,855,238	2,681,948	2,773,616	2,855,227
Employee Health Services Budget Control Level	N2000	2,594,662	2,695,531	2,836,675	2,929,443
Employment and Training Budget Control Level	N1000	3,007,882	2,942,663	2,813,285	2,890,152
<b>Department Total</b>		<b>11,252,537</b>	<b>11,530,794</b>	<b>11,814,747</b>	<b>12,171,263</b>
<b>Department Full-time Equivalents Total*</b>		<b>104.25</b>	<b>105.25</b>	<b>103.75</b>	<b>103.75</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.*

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

#### City/Union Relations and Class/Comp Services Budget Control Level

The purpose of the City/Union Relations and Classification/Compensation Services Budget Control Level is to support the City's efforts to fairly manage and compensate its diverse work force. City/Union Relations staff provide technical and professional labor-relations services to policymakers and management staff of all City departments. The Class/Comp staff develop personnel rules, pay programs, perform compensation analysis, and provide classification services and organizational consultation to all City departments.

Program Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
City/Union Relations and Class/Comp Services	3,794,755	3,210,651	3,391,171	3,496,441
<b>Total</b>	<b>3,794,755</b>	<b>3,210,651</b>	<b>3,391,171</b>	<b>3,496,441</b>
Full-time Equivalents Total*	33.50	24.00	24.00	24.00

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## Personnel Department

### Citywide Personnel Services Budget Control Level

The purpose of the Citywide Personnel Services Budget Control Level is to establish citywide personnel rules and provide human resources systems, policy advice, information management, finance and accounting services, and expert assistance to departments, policymakers, and employees so the City can accomplish its business goals in a cost-effective manner. This program includes Policy Development, Information Management, Finance, Budget and Accounting, Employee Giving and Volunteer Program, Unemployment, and other internal support services.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Citywide Personnel Services	1,855,238	2,681,948	2,773,616	2,855,227
<b>Total</b>	<b>1,855,238</b>	<b>2,681,948</b>	<b>2,773,616</b>	<b>2,855,227</b>
Full-time Equivalents Total*	7.25	20.75	20.75	20.75

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### Employee Health Services Budget Control Level

The purpose of the Employee Health Services Budget Control Level is to provide quality, cost-effective employee health care and other benefits, workers' compensation benefits, and safety services to maintain and promote employee health and productivity, and to provide a competitive non-cash compensation package. This program also includes administration of the Seattle Voluntary Deferred Compensation Plan and Trust.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Employee Health Services	2,594,662	2,695,531	2,836,675	2,929,443
<b>Total</b>	<b>2,594,662</b>	<b>2,695,531</b>	<b>2,836,675</b>	<b>2,929,443</b>
Full-time Equivalents Total*	21.00	21.50	20.50	20.50

*\* 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.*

### Employment and Training Budget Control Level

The purpose of the Employment and Training Budget Control Level is to provide recruitment and staffing services, employee-development opportunities, mediation, temporary employment services, and technical assistance to all City departments so the City can meet its hiring needs efficiently, maintain legal compliance, and help organizations and employees accomplish their work in a productive and cost-effective manner. This Budget Control Level includes the Police and Fire Exams, Employment, Supported Employment, Equal Employment Opportunity, Alternative Dispute Resolution, Contingent Workforce, and Career Quest units.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Employment and Training	3,007,882	2,942,663	2,813,285	2,890,152
<b>Total</b>	<b>3,007,882</b>	<b>2,942,663</b>	<b>2,813,285</b>	<b>2,890,152</b>
Full-time Equivalents Total*	42.50	39.00	38.50	38.50

*\* 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

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Jill Simmons, Director

Department Information Line: (206) 615-0817

On the Web at: <http://www.seattle.gov/environment>



## Department Overview

The City's Office of Sustainability and Environment (OSE) partners with City departments, community organizations, nonprofits, and businesses to develop and promote policies and practices to solve pressing environmental challenges. OSE develops policies and promotes green initiatives through three functional areas:

- **Citywide Coordination:** Coordinate interdepartmental work on priority programs, policies, and outreach to advance the City's environmental goals. OSE's coordination work includes a focus on food policy, urban forestry, and green infrastructure.
- **Innovation & Research:** Conduct research and development for the City's next generation of environmental sustainability policies and programs. OSE's innovation and research includes a focus on building energy, including implementing Community Power Works, a \$20 million federal grant program to provide energy upgrades across six building sectors throughout Seattle; developing a district energy strategic partnership; and developing performance-based energy codes.
- **Climate Change Action Planning and Measurement:** Lead the development and implementation of the Seattle Climate Action Plan (CAP) 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 developing a climate change adaptation strategy that minimizes the disproportionate impacts of a changing climate while making Seattle less vulnerable and more resilient.

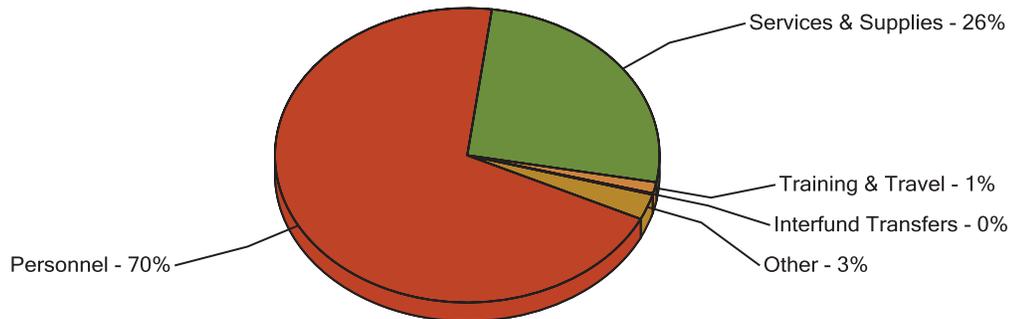
## Office of Sustainability and Environment

### Budget Snapshot

Department Support	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
General Fund Support	\$9,235,221	\$1,820,555	\$1,895,677	\$2,022,173
<b>Total Operations</b>	<b>\$9,235,221</b>	<b>\$1,820,555</b>	<b>\$1,895,677</b>	<b>\$2,022,173</b>
<b>Total Appropriations</b>	<b>\$9,235,221</b>	<b>\$1,820,555</b>	<b>\$1,895,677</b>	<b>\$2,022,173</b>
Full-time Equivalent Total*	11.00	15.00	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.

### 2013 Proposed Budget - Expenditure by Category



### Budget Overview

In developing the 2013-2014 Proposed Budget, the Department reviewed all program areas to identify internal efficiencies and alternate funding sources that enables the Department to preserve direct services to the greatest extent possible.

The 2013-2014 Proposed Budget eliminates a proposed expansion to the Climate Action Community Projects program, which contracts with community groups for projects that help residents implement climate action projects related to building energy, transportation, food, and waste. The Climate Action Community Projects will remain funded at 2012 levels. In addition, OSE will use grant funding to cover a portion of staff time for the 2030 District Liaison and the Citywide Resource Conservation Advisor positions and one-time grant funding in 2013 from the Seattle Foundation to cover a portion of the Food Policy Advisor position. These reductions allow the Department to continue working on critical programs while reducing pressure on General Fund resources.

## Office of Sustainability and Environment

The City of Seattle remains committed to climate protection and reducing greenhouse gas (GHG) emissions. OSE's climate protection work includes completing GHG inventories to gauge progress toward Seattle's near-term and long-term climate protection goals. Since 2008, the Department has completed a community GHG inventory to measure emissions for all of Seattle every three years and a municipal GHG inventory to measure emissions from the City's operations every year. As part of the budget reductions, OSE will continue to conduct a community GHG inventory every three years, but will conduct the City's municipal GHG inventory of City operations only in years when the community GHG inventory is not being updated. This results in cost savings in 2013 due to OSE not bringing in consultant resources to manage the additional work of conducting both inventories in the same year. The next update to the municipal GHG inventory will take place in 2014, and no consultant resources will be needed for that work in that year.

In 2013, the Department will begin fully implementing the compliance phase of the Energy Benchmarking program, which requires non-residential and multifamily buildings over 20,000 square feet to report energy use annually. The Energy Benchmarking program has been in the development and implementation phase since 2009, with OSE providing advance outreach and notification to businesses of the upcoming fines that will be associated with not reporting energy usage beginning in 2012. The 2013-2014 Proposed Budget reflects a budget neutral approach to increasing City staff resources in both OSE and the Department of Finance and Administrative Services (FAS), as well as technical support to enforce the Energy Benchmarking program, by limiting the increase in budgeted resources to the anticipated revenues to be collected as a result of fines paid in future years. Overall, this enforcement work is intended to help achieve the ultimate goal of increasing the energy efficiency of Seattle's buildings.

### Incremental Budget Changes

#### Office of Sustainability and Environment

	2013		2014	
	Budget	FTE	Budget	FTE
<b>Total 2012 Adopted Budget</b>	<b>\$ 1,820,555</b>	<b>15.00</b>	<b>\$ 1,820,554</b>	<b>15.00</b>
<b>Baseline Changes</b>				
Citywide Adjustments for Standard Cost Changes	\$ 65,425	0.00	\$ 121,563	0.00
Remove One-Time 2012 Expenses from Baseline	-\$ 86,700	0.00	-\$ 88,695	0.00
<b>Proposed Policy Changes</b>				
Reduce Funding for Climate Action Community Projects	-\$ 10,000	0.00	-\$ 10,230	0.00
Shift Eligible Personnel Costs to Grant Funding	-\$ 47,146	0.00	\$ 0	0.00
Eliminate Consultant Costs for Greenhouse Gas Inventories	-\$ 15,000	0.00	-\$ 15,345	0.00
Increase Funding for City's Energy Benchmarking Program (Revenue Backed)	\$ 79,850	0.00	\$ 102,375	0.00
<b>Proposed Technical Changes</b>				
Final Citywide Adjustments for Standard Cost Changes	\$ 88,694	0.00	\$ 91,951	0.00
<b>Total Incremental Changes</b>	<b>\$ 75,123</b>	<b>0.00</b>	<b>\$ 201,619</b>	<b>0.00</b>
<b>2013 - 2014 Proposed Budget</b>	<b>\$ 1,895,678</b>	<b>15.00</b>	<b>\$ 2,022,173</b>	<b>15.00</b>

# Office of Sustainability and Environment

## Description of Incremental Budget Changes

### Baseline Changes

#### **Citywide Adjustments for Standard Cost Changes - \$65,425**

Citywide technical adjustments made in the "Baseline Phase" reflect changes due to inflation, central cost allocations, retirement, health care, workers' compensation, and employment costs. These adjustments reflect initial assumptions about these costs and inflators early in the budget process.

#### **Remove One-Time 2012 Expenses from Baseline - (\$86,700)**

This adjustment removes one-time expenses from the 2013-2014 baseline budget including the moving expense related to the City Green Building Team moving from DPD to OSE, and one-time consultant expenses to facilitate the development of a citywide Resource Conservation Management Plan. Both of these items were added in the 2012 Adopted Budget to address one-time expenses.

### Proposed Policy Changes

#### **Reduce Funding for Climate Action Community Projects - (\$10,000)**

This action eliminates a proposed expansion of the Climate Action Community Projects program, a program that contracts with community groups for projects that help residents implement climate action projects related to building energy, transportation, food, and waste. This adjustment keeps the program at historical levels of \$40,000 in 2013 while still maintaining funding for this community program that was successfully piloted in 2012 and received positive response from the community.

#### **Shift Eligible Personnel Costs to Grant Funding - (\$47,146)**

This one-time action shifts funding for a portion of the salary and benefits of OSE's 2030 District Liaison position and the Citywide Resource Conservation Advisor position from General Fund to the Community Power Works program, which is supported by funds from the American Recovery & Reinvestment Act (ARRA). The positions will support the Community Power Works program goals for building retrofits in the large commercial and municipal sectors. In addition, another one-time action shifts funding for a portion of the salary and benefits of OSE's Food Policy Advisor position from General Fund to a grant from the Seattle Foundation, to fund professional services for an economic opportunity gap analysis. These actions do not impact service levels, and the shift in funding source for these positions is eligible under the parameters of the grants.

#### **Eliminate Consultant Costs for Greenhouse Gas Inventories - (\$15,000)**

This action eliminates consultant funding in 2013 that would be used to develop the City's municipal greenhouse gas (GHG) inventory. Beginning in 2013, OSE will no longer complete the municipal GHG inventory in the years that the community GHG inventory is required by ordinance to also be completed. The combined work of developing both inventories in the same year has required OSE to bring in consulting support. This professional services funding can be eliminated by moving to a staggered reporting approach. OSE will complete a community GHG inventory in 2013, and will complete a municipal GHG inventory in 2014.

#### **Increase Funding for City's Energy Benchmarking Program (Revenue Backed) - \$79,850**

This change provides OSE with spending authority to support the increased staffing and administrative expenses associated with enforcing the City's Energy Benchmarking program. The additional program costs in 2013 and 2014, as well as new staff costs reflected in the Department of Finance and Administrative Services (FAS) budget, are offset by anticipated General Fund revenues that will be generated through fines collected by FAS as a result of the City's enforcement of the energy benchmarking requirement. These revenues are reflected as part of the overall General Fund revenues collected by the City.

# Office of Sustainability and Environment

## Proposed Technical Changes

### Final Citywide Adjustments for Standard Cost Changes - \$88,694

Citywide technical adjustments made in the "Proposed Phase" reflect changes due to inflation, central cost allocations, retirement, health care, workers' compensation, and unemployment costs. These adjustments typically reflect updates to preliminary cost assumptions established in the "Baseline Phase."

## Expenditure Overview

Appropriations	Summit Code	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Office of Sustainability and Environment Budget Control Level	X1000	9,235,221	1,820,555	1,895,677	2,022,173
<b>Department Total</b>		<b>9,235,221</b>	<b>1,820,555</b>	<b>1,895,677</b>	<b>2,022,173</b>
<b>Department Full-time Equivalents Total*</b>		<b>11.00</b>	<b>15.00</b>	<b>15.00</b>	<b>15.00</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.

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

### Office of Sustainability and Environment Budget Control Level

The purpose of the Office of Sustainability and Environment Budget Control Level is to coordinate interdepartmental environmental sustainability initiatives, identify and develop next generation policies and programs, and lead the City's climate change action planning to move towards carbon neutrality.

Program Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Office of Sustainability and Environment	9,235,221	1,820,555	1,895,677	2,022,173
<b>Total</b>	<b>9,235,221</b>	<b>1,820,555</b>	<b>1,895,677</b>	<b>2,022,173</b>
Full-time Equivalents Total*	11.00	15.00	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.



## **Funds, Subfunds & Other**



# General Subfund

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General Subfund

## Department Overview

The General Subfund of the City's General Fund is the primary operating fund of the City. Appropriations and expenses for many of the services most commonly associated with the City, such as police and fire, are accounted for in the General Subfund. The Subfund is supported primarily by property, sales, business, and utility taxes.

The City's financial policies do not require a fund balance to be maintained in the General Subfund. Instead, the City reserves resources for unanticipated expenses or revenue shortfalls associated with general government in the Emergency Subfund of the General Fund and in the Revenue Stabilization Account of the Cumulative Reserve Subfund. As a result of this practice, General Subfund balances usually are spent in their entirety either in the current or next fiscal years.

## General Subfund

### General Subfund Fund Table (00100)

Amounts in \$1,000s	<u>2012 Revised</u>	<u>2013 Proposed</u>	<u>2014 Proposed</u>
Beginning Fund Balance	29,513	26,018	20,791
Technical Adjustment	(5,910)		
<b>Beginning Unreserved Fund Balance</b>	<b>23,603</b>	<b>26,018</b>	<b>20,791</b>
<b><u>Revenues</u></b>			
Property Taxes	258,942	260,501	270,033
Sales Tax	164,823	170,587	177,002
Business and Occupation Tax	181,605	188,668	199,462
Utility Tax	170,680	177,723	185,891
Other Taxes	13,950	13,877	15,555
Parking Meters	34,494	34,825	35,494
Court Fines and Forfeitures	32,263	33,711	34,699
Revenue from Other Public Entities	9,033	8,669	8,669
Service Charges & Reimbursements	38,340	38,484	39,427
Subfund Balance Transfers (ERF, RSA, J&C)	9,807	2,174	637
Licenses, Permits, Interest Income and Other	16,717	16,572	19,528
<b>Total Revenues</b>	<b>930,654</b>	<b>945,790</b>	<b>986,398</b>
<b><u>Expenditures</u></b>			
Arts, Culture & Recreation	(143,884)	(146,505)	(154,564)
Health and Human Services	(54,352)	(57,469)	(59,533)
Neighborhoods & Development	(26,390)	(28,753)	(29,697)
Public Safety	(521,931)	(542,046)	(548,766)
Utilities and Transportation	(38,841)	(39,808)	(40,239)
Administration	(115,447)	(117,537)	(119,188)
Debt Service	(13,092)	(13,694)	(16,773)
General Fund Subfunds, Judgment & Claims	(4,026)	(5,206)	(6,373)
<i>Subtotal Above Expenditures</i>	<i>(917,962)</i>	<i>(951,018)</i>	<i>(975,133)</i>
Mid-Year Reductions	5,897		
First Quarter Supplemental	(1,155)		
Second Quarter Supplemental	(15)		
Third Quarter Supplemental	(2,427)		
Net Other Expenditure Adjustments	(12,576)		
<b>Total Expenditures</b>	<b>(928,239)</b>	<b>(951,018)</b>	<b>(975,133)</b>
Ending Fund Balance	26,018	20,791	32,056
Other Reserves	(4,821)	(16,183)	(31,968)
<b>Ending Unreserved Fund Balance</b>	<b>21,197</b>	<b>4,608</b>	<b>88</b>

## General Subfund

### 2013-2014 Proposed Revenues for the General Subfund (00100)

Amounts in \$1,000s

Summit Code	Revenue	2011 Actuals	2012 Adopted	2013 Proposed	2014 Proposed
411100	Property Tax	218,732	223,269	226,267	230,846
	Property Tax-Medic One Levy	35,507	34,355	34,234	39,187
	<b>Property Taxes Total</b>	<b>254,240</b>	<b>257,624</b>	<b>260,501</b>	<b>270,033</b>
413100	Retail Sales Tax	144,752	144,924	157,257	163,046
413700	Retail Sales Tax - Criminal Justice	12,303	12,457	13,330	13,956
	<b>Sales Tax Total</b>	<b>157,054</b>	<b>157,381</b>	<b>170,587</b>	<b>177,002</b>
416100	Business & Occupation Tax (100%)	168,781	175,344	188,668	199,462
	<b>Business And Occupation Tax Total</b>	<b>168,781</b>	<b>175,344</b>	<b>188,668</b>	<b>199,462</b>
416430	Utilities Business Tax - Natural Gas (100%)	13,295	11,728	11,324	12,317
416450	Utilities Business Tax - Solid Waste (100%)	1,072	900	1,075	1,075
416460	Utilities Business Tax - Cable Television (100%)	16,124	16,383	16,524	16,924
416470	Utilities Business Tax - Telephone (100%)	27,967	29,721	26,926	27,680
416480	Utilities Business Tax - Steam (100%)	1,406	1,292	1,186	1,347
516410	Utilities Business Tax - City Light (100%)	40,517	42,565	43,918	46,603
516420	Utilities Business Tax - City Water (100%)	23,280	25,705	26,981	29,148
516440	Utilities Business Tax - Drainage/Waste Water (100%)	32,449	34,077	36,696	37,384
516450	Utilities Business Tax - City SWU (100%)	12,279	12,502	13,093	13,412
	<b>Utility Tax Total</b>	<b>168,388</b>	<b>174,872</b>	<b>177,723</b>	<b>185,891</b>
413600	Use Tax - Brokered Natural Gas	1,527	2,202	1,620	2,032
416200	Admission Tax	5,859	5,302	6,111	6,301
418200	Leasehold Excise Tax	4,644	4,200	4,500	4,500
418500	Gambling Tax	434	450	450	450
418600	Pleasure Boat Tax	112	170	140	160
436694	Liquor Excise Tax	2,968	2,898	1,056	2,113
	<b>Other Taxes Total</b>	<b>15,545</b>	<b>15,222</b>	<b>13,877</b>	<b>15,555</b>

## General Subfund

Summit Code	Revenue	2011 Actuals	2012 Adopted	2013 Proposed	2014 Proposed
422940	Meter Hood Service	1,191	1,350	1,350	1,350
462300	Parking Meters	30,123	32,174	33,475	34,144
	<b>Parking Meters Total</b>	<b>31,314</b>	<b>33,524</b>	<b>34,825</b>	<b>35,494</b>
455900	Court Fines & Forfeitures (100%)	31,389	36,080	33,711	34,699
	<b>Court Fines And Forfeitures Total</b>	<b>31,389</b>	<b>36,080</b>	<b>33,711</b>	<b>34,699</b>
431010	Federal Grants - Direct	2,163	0	0	0
	Federal Grants - Other	1,725	512	238	238
431190	ARRA Fed Grnt Dir -Passthrough	1,125	0	60	60
433010	Federal Grants - Indirect	5,148	0	0	0
	Federal Indirect Grants - Other	14,044	0	0	0
433110	ARRA Federal Grant Indirect	250	0	0	0
434010	State Grants	160	0	0	0
436129	Trial Court Improvement Account	157	150	150	150
436610	Criminal Justice Assistance (High Impact)	1,512	1,745	1,745	1,745
436621	Criminal Justice Assistance (Population)	944	725	725	725
436695	Liquor Board Profits	4,242	4,347	5,369	5,369
437010	Interlocal Agreement - Sound Transit	(42)	682	0	0
	Interlocal Grants	(6)	0	0	0
	Benaroya Hall - Concession				
439090	Payment	0	0	382	382
443870	Resource Recovery Revenues	945	0	0	0
448630	Intergovrnmtl - King Co. E-911	311	0	0	0
	<b>Revenue From Other Public Entities Total</b>	<b>32,679</b>	<b>8,161</b>	<b>8,669</b>	<b>8,669</b>
422450	Vehicle Overload Permits	8	0	8	8
422940	Meter Hood Service	99	0	75	75
	Interlocal Agreement - Sound				
437010	Transit	2,111	0	388	402
441610	Copy Charges	112	118	118	118
441900	Other Charges-General Gvmt	1	0	0	0
441930	Private Reimbursements	85	0	0	0
441950	Legal Services	42	34	34	34
	Automated Fingerprint Information				
441960	System (Afis)	3,341	3,878	3,901	4,063
	Fire Special Events Services	1,055	590	727	727
	Personnel Services	893	1,061	1,167	1,177
441990	Hearing Examiner Fees	2	3	3	3

## General Subfund

Summit Code	Revenue	2011 Actuals	2012 Adopted	2013 Proposed	2014 Proposed
	Other General Govtl Svc Fees-M	44	0	0	0
	Vehicle Towing Revenues	284	350	215	215
442100	Law Enforcement Service Fees	650	0	0	0
	Law Enforcement Services	3,932	2,937	3,005	2,957
	Traffic Control Services	(41)	267	267	267
442330	Adult Probation And Parole (100%)	239	160	350	350
	E-911 Reimbursements & Cellular				
442500	Tax Revenue	2,616	2,501	2,802	2,827
	Emergency Service Fees	6	0	0	0
443979	Sundry Recoveries	21	0	0	0
447400	Special Events Recovery	561	550	550	550
447550	Athletic Facility Fees	5	0	0	0
	Municipal Court Cost Recoveries				
457300	(100%)	845	977	533	533
457400	Confiscated Funds	403	633	633	633
541960	If Personnel Service Charges	72	0	0	0
	Interfund Revenue To Executive				
541990	Administration	0	856	1,444	1,487
	Interfund Revenue To Personnel	6,178	6,827	6,487	6,695
	Miscellaneous Interfund Revenue	15,257	14,530	15,418	15,948
544590	If Misc - Other Revenues	642	0	0	0
	<b>Service Charges &amp; Reimbursements Total</b>	<b>39,953</b>	<b>36,542</b>	<b>38,484</b>	<b>39,427</b>
541990	If Othr Gen Govtl Svc Chrgs-Mi	1,151	0	0	0
	Transfer From - Cumulative				
	Reserve Subfund-Unrestricted				
587001	Subaccount	4	0	0	0
587116	Oper Tr In-Fr Cumulative Rsv S	8,500	0	0	0
587118	Oper Tr In-Fr Emergency Sfund	100	0	565	0
587165	Oper Tr In-Nm - Fd 165	158	0	0	0
587344	Transfer From - Fire Facilities Levy	90	168	126	127
	Transfer From - Utilities For Council				
587400	Oversight	132	509	494	510
	Transfer From - 2008 LTGO Bond				
	Fund	58	0	0	0
	Transfer From - 2010 LTGO Bond				
	Fund	10	0	0	0
	Transfer From - Dearborn Trust				
	Fund	10	10	0	0
	Transfer From - Municipal Jail				
	Subfund	0	1,000	0	0
	Transfer From - Planning And				
	Development Fund	0	20	0	0

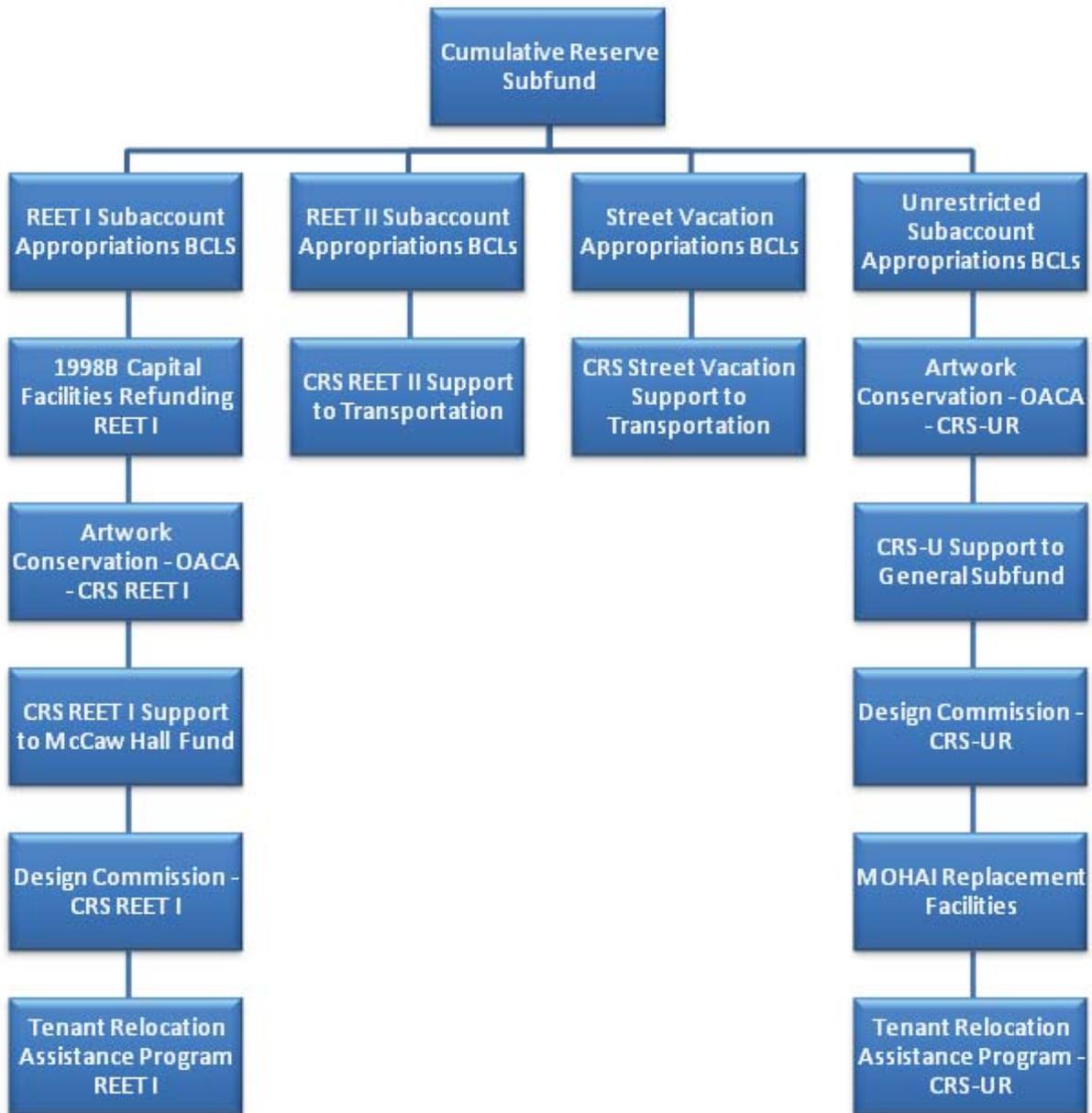
## General Subfund

Summit Code	Revenue	2011 Actuals	2012 Adopted	2013 Proposed	2014 Proposed
	Transfer From - Transportation Fund	0	8,100	0	0
	Transfer From - FAS Operating Fund	0	0	990	0
<b>Other Funds - Fund Balance Transfers Total</b>		<b>10,214</b>	<b>9,807</b>	<b>2,174</b>	<b>637</b>
421920	Business License Fees (100%)	5,113	4,950	5,200	5,200
422115	Use Permits	650	0	0	0
422190	Emergency Alarm Fees	2,069	2,109	2,109	2,109
422450	Vehicle Overload Permits	225	230	230	230
422490	Street Use Permits	809	600	700	700
422920	Fire Permits	3,418	3,838	4,507	4,568
422990	Gun Permits And Other	26	20	26	26
	Other Non Business Licenses	38	16	32	34
439090	Other Private Contrib. & Donate	198	0	0	0
444590	Miscellaneous - Other Revenues	17	0	153	178
457400	Evidence Confiscations	53	0	0	0
461110	Interest On Investments	1,349	1,288	1,864	2,381
463000	Insurance Premiums & Recoveries	95	0	0	0
469930	Program Income-Miscellaneous	68	0	0	0
469990	Other Miscellaneous Revenue	2,443	2,130	1,751	4,102
569551	If WC Contrib-Pension Payouts	63	0	0	0
	Miscellaneous Revenue	15	0	0	0
461300	GASB Gains/Losses	168	0	0	0
<b>Other Total</b>		<b>16,816</b>	<b>15,181</b>	<b>16,572</b>	<b>19,528</b>
<b>General Subfund Total</b>		<b>926,374</b>	<b>919,738</b>	<b>945,790</b>	<b>986,398</b>

# Cumulative Reserve Subfund

Beth Goldberg, Director

Department Information Line: (206) 615-1962



# Cumulative Reserve Subfund

## Department Overview

The Cumulative Reserve Subfund (CRS), authorized under state law, is used primarily for maintenance and development of the City's general government capital facilities and infrastructure. The subfund is divided into two accounts, the Capital Projects Account and the Revenue Stabilization Account.

The Revenue Stabilization Account, created through Ordinance 119761, provides a cushion from the impact of sudden, unanticipated shortfalls in revenue due to economic downturns that could undermine City government's ability to maintain services. Please see the Revenue Stabilization Reserve Budget Control Level in the Fiscal Reserves section of the Budget for more details.

The Capital Projects Account provides support for an array of capital projects, with a primary focus on maintaining and rehabilitating existing City facilities. The Capital Projects Account includes seven subaccounts described below.

- The Real Estate Excise Tax I (REET I) Subaccount is supported by a 0.25% tax on real estate transactions. REET I is used for a variety of capital projects authorized by state law.
- The Real Estate Excise Tax II (REET II) Subaccount is supported by an additional 0.25% tax on real estate transactions and is kept separate 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.
- The Unrestricted Subaccount receives funding from a variety of sources, including a portion (50%) of street vacation revenues, transfers of General Subfund balances, property sales, investment earnings (net of investment earnings attributable to the South Lake Union Property Proceeds Subaccount and the Asset Preservation Subaccount - Fleets and Facilities), and other unrestricted contributions to the Cumulative Reserve Subfund.
- The Asset Preservation Subaccount receives revenues from interest earnings on subaccount balances and from a portion of space rent charges paid by tenants of Department of Finance and Administrative Services (FAS) facilities. Resources in this subaccount are used to support asset preservation expenditures for certain FAS facilities. Unappropriated funds in this subaccount are designated as a Large Expense Project Reserve per Resolution 30812, and are intended to pay for very costly asset preservation projects in future years.
- The Street Vacation Subaccount receives funding from a portion of street vacation revenues. In 2001, the state legislature made major changes in the law pertaining to vacation compensation. These changes allowed cities, in certain circumstances, to charge a vacation fee that is the full appraised value of the right-of-way but mandated that at least one half of the revenue from these fees be dedicated to the acquisition, improvement, development, and related maintenance of public open space or transportation capital projects within the city. This subaccount tracks those funds.
- The South Lake Union Property Proceeds Subaccount receives funding from sales of certain surplus City property located adjacent to South Lake Union and investment earnings attributable to the subaccount. The use of these funds is generally governed by Resolution 30334.
- The Bluefields Holdings Subaccount was established with the single purpose to facilitate financial monitoring and oversight of habitat on specifically identified City-owned properties along the Duwamish River. Bluefield Holdings has established a unique program with the Natural Resource Trustees so that available Natural Resource Damage credits can be sold to parties needing to satisfy damage liability in conjunction with the Lower Duwamish Superfund site. The City of Seattle entered into a Master Lease and Term Permit authorized with Bluefield Holdings to construct habitat to allow for the development of these credits. The Bluefield Master Lease requires Bluefield

## Cumulative Reserve Subfund

Holdings to maintain the habitat during an applicable term and provide the City with funds for continued maintenance after the term expires. These maintenance contributions are deposited in the Bluefield Holdings subaccount and will be used to ensure the long-term preservation of the developed habitat.

Department capital projects are fully described in the accompanying Capital Improvement Program (CIP) document. Actual appropriations for capital projects funded by the CRS are made in the appropriate department's section in the budget, with the exception of the Seattle Department of Transportation, and some special projects that are described in the following pages of this section, such as debt service payments and the City's Tenant Relocation Assistance Program.

### Budget Overview

#### Real Estate Excise Tax

Spending from the Cumulative Reserve Subfund (CRS) is primarily supported by Real Estate Excise Taxes (REET), which have experienced considerable volatility in recent years. The City collected a record \$71.8 million in 2007, but experienced a 68% decline in 2009 from that record level. While still projected to be 50% less than peak revenues in 2007, REET revenues for 2013 are estimated at \$6 million above 2011 actual revenue collections, with an additional \$4 million bump in 2014. Additional discussion of REET revenues can be found in the Revenue Overview section of this document.

Cost pressures from basic major maintenance and other capital needs continue to outpace revenue trends. CRS faces additional fiscal pressure from support provided to projects in the 2003 Fire Facilities and Emergency Response Levy Program. While the voter-approved levy supported a majority of the costs for the fire station renovations and upgrades, REET was also committed to support the projects through both payments of related debt service and direct cash support. The 2013-2014 Proposed Budget continues this commitment despite recent resource constraints. Funds are also allocated to support projects in compliance with the Americans with Disabilities Act (ADA). Overall, the Proposed Budget appropriates approximately \$55 million from CRS in 2013, with \$42 million from the two REET subaccounts. Individual projects and programs supported by CRS resources are described in the departmental sections of the 2013-2018 Proposed Capital Improvement Program (CIP).

The 2012 Adopted Budget included \$24 million for asset preservation for parks, library, civic buildings, and Seattle Center. The 2013-2014 Proposed Budget increases those amounts in these areas to an annual average total of \$27.6 million. This is an improvement from the annual average funding in these areas over 2010-2012 which was \$18.8 million. City policies establish a minimum target funding level based on assessed value that equates to about \$32.6 million for 2013. While the City has not had sufficient funding to achieve target asset preservation levels since the target was established in 2009, asset preservation funding for these general government facilities over 2013-2014 will be the closest to achieving target levels since they were established.

Policy 12 of Resolution 31083 states that the City will maintain fund balances of \$5 million for the REET I and REET II subaccounts. This policy was relaxed in 2009 following a collapse in REET revenue streams, adjusting the minimum target balance to \$1 million for each account. Given the volatility of the real estate market, maintaining healthy reserves to protect against economic downturns is essential and the City is committed to rebuilding the target fund balance as prudently as possible. Despite continued weakness in REET revenues, \$3.0 million is proposed to be added to the cash reserve balance in 2013 and an additional \$3.5 million in 2014. With these contributions, the REET subaccounts will re-establish their cumulative \$10 million target cash reserve for the first time since the Great Recession. Rebuilding reserves and adhering to prudent financial management policies is a key strategy for ensuring the City remains on sound financial footing and is able to respond to dynamic economic conditions.

# Cumulative Reserve Subfund

## Cumulative Reserve Subfund - Unrestricted

Another Cumulative Reserve Subfund subaccount that has experienced fiscal challenges in the past decade is the CRS-Unrestricted Subaccount (CRS-U). This subaccount was granted a loan in 2003 in order to facilitate the purchase of property at what is now known as the Joint Training Facility (JTF), and was intended to be repaid through the sale of excess land. The contemplated land sale is unlikely to occur in the near-term and an alternative approach has been taken to repay this loan. On a smaller scale, the account has also been out of balance in recent years because on-going expenditures in the account exceed the on-going revenues available. This further exacerbated the imbalance. The interfund loan was authorized initially in 2003 by Ordinance 121179 and extended through 2012 by Ordinance 123481. The 2013-2014 Proposed Budget continues a number of strategies first implemented in the 2011 Adopted Budget designed to bring CRS-U back into a positive position.

- First, sufficient ongoing expenditures have been shifted to other funding sources in order to create an annual surplus of revenues over expenditures in the account. This ensures that the account does not decline further into deficit over time.
- Second, annual contributions from the General Subfund will bring the fund balance back into positive territory over time. General Subfund contributions of \$500,000 annually began in 2012 and will continue until the fund returns to positive position.
- Third, the interfund loan for this account is extended through the 2013-2014 biennium to accommodate the time needed to address this issue.

With the above strategies in place and CRS-U on a sustained path back to fiscal health, the 2013-2014 Proposed Budget is able to allocate some one-time CRS-U street vacation revenues to priority areas for funding. As street vacation revenues have historically varied in both amount and timing from initial estimates, the 2013-2014 Proposed Budget holds a portion of these anticipated funds in reserve, pending confirmation of the amount and timing of these revenues. At such time as the revenues are in-hand, specific appropriations will be sought for these priority funding areas as follows:

- District Energy Investment Reserve. \$350,000 is designated in 2013 to support creation of a District Energy Investment Reserve. The District Energy Investment Reserve would provide funding to incentivize a developer to construct district energy infrastructure at a scale that would allow the City to realize its broader district energy vision. By designing the infrastructure beyond that needed to serve the private development, the developer would be helping to catalyze the development of a larger district energy system in the neighborhood fueled by what is currently a wasted resource, such as waste heat from a data center.
- Master Plan Investment Reserve. \$2.5 million is designated in 2014 for further implementation of the Transit Master Plan (TMP). The TMP identified the highest priority corridors for high capacity transit service (HCT) in Seattle. The 2013-2014 Proposed Budget completes funding for corridor analyses of each of the priority HCT corridors. The TMP Investment Reserve will provide local matching funds to continue the next phase of work on each of these corridors, which will focus on design, engineering and environmental review. It is expected that the Center City Connector will be the first corridor to reach this phase. The TMP Investment Reserve will help the City secure federal grant funding to complete planning work in these corridors.

One project recommended for funding and appropriated in the 2013-2014 Proposed Budget from CRS-U is the creation of additional parking capacity at the Seattle Zoo. \$2 million of CRS-U funds are allocated to this project in 2013. For additional discussion of this project, please see the Department of Parks and Recreation budget section.

In addition, the CRS-Unrestricted Subaccount was used to facilitate the distribution of the proceeds from the sale of McCurdy Park facilities formerly occupied by the Museum of History and Industry (MOHAI). In accordance with the settlement agreement between the City of Seattle and MOHAI, Ordinance 123437, the City received \$20 million of sale proceeds in 2010 from the State and transferred this full amount to MOHAI. An additional \$20 million of McCurdy Park facilities sale proceeds from the State was received by the City in June 2011. From this second \$20 million payment, \$11.5 million was appropriated for transfer to MOHAI in

## Cumulative Reserve Subfund

2011, with the remaining \$8.5 million to be paid from the City to MOHAI with the following minimum payment schedule: \$2.5 million by 2013, \$2.5 million by 2014, \$3.5 million by 2015. The 2013 through 2015 payments are anticipated to be supported by land sale proceeds.

Under the sustainable approach to rebuilding the CRS-U fund described above, and considering anticipated revenues and proposed expenditures and reserves in the CRS-U Subaccount, current estimates are for CRS-U to return to a positive unreserved fund balance position in 2016.

### Asset Preservation Subaccount

The Asset Preservation Subaccount preserves and extends the useful life and operational capacity of existing Finance and Administrative Services (FAS) managed facilities, and is funded by facility space rent paid by City departments. Examples of 2013-2014 projects planned include replacing aged and failing systems at the Animal Shelter such as installing new heaters and plumbing, rebuilding pumps, and replacing electrical panels. Drainage improvements, lighting, and HVAC improvements are planned for the Airport Way Center complex building D and E. The Seattle Municipal Tower will continue in 2013 the second year of a 5-year weatherization program which includes a comprehensive wet seal replacement for the aluminum glass framing system of the sloped glass roof.

### Street Vacation Subaccount

The Street Vacation Subaccount receives funding from a portion of street vacation revenues and provides additional funding support for the Department of Transportation overall efforts to meet the transportation needs of the City. As described above, street vacation revenues have historically varied in both amount and timing from initial estimates, so the 2013-2014 Proposed Budget holds a portion of these anticipated funds in reserve, pending confirmation of the amount and timing of these revenues. Supplemental appropriations will be proposed for specific projects once revenues are confirmed. Potential projects planned for funding once available include:

- Additional funding to construct railroad crossing gates and flashing lights at key railroad crossings in the Seattle Waterfront Quiet Zone. This work will be done in coordination with Burlington Northern Santa Fe (BNSF) Railroad which will install the gates and flashing lights while SDOT will install other elements including curbs and signage.
- Funding to repair and replace retaining walls at two locations in north Seattle, where storm events have resulted in damage to existing retaining wall systems.
- Construction of a retaining wall and reopening of a long-term sidewalk closure along Rainier Avenue South. The sidewalk along this area has remained blocked due to landslides, and has been closed since 1998.

In addition to these potential projects, street vacation revenues are used to provide matching funds to secure a grant for work on the King Street Station Multimodal Terminal Project.

## Cumulative Reserve Subfund

### Incremental Budget Changes

#### Cumulative Reserve Subfund

	2013		2014	
	Budget	FTE	Budget	FTE
<b>Total 2012 Adopted Budget</b>	<b>\$ 9,967,553</b>	<b>0.00</b>	<b>\$ 9,967,553</b>	<b>0.00</b>
<b>Proposed Policy Changes</b>				
CRS Support to Transportation Programs	\$ 6,080,475	0.00	\$ 2,743,350	0.00
<b>Proposed Technical Changes</b>				
Technical Adjustments to CRS Supported Programs	\$ 26,903	0.00	\$ 43,045	0.00
Removing One-time Support in 2012 Adopted Budget	-\$ 1,188,500	0.00	-\$ 1,188,500	0.00
Debt Service Reduction	-\$ 1,353,763	0.00	-\$ 1,353,763	0.00
Settlement Payments to the Museum of History and Industry (MOHAI)	\$ 2,500,000	0.00	\$ 2,500,000	0.00
<b>Total Incremental Changes</b>	<b>\$ 6,065,115</b>	<b>0.00</b>	<b>\$ 2,744,132</b>	<b>0.00</b>
<b>2013 - 2014 Proposed Budget</b>	<b>\$ 16,032,668</b>	<b>0.00</b>	<b>\$ 12,711,685</b>	<b>0.00</b>

# Cumulative Reserve Subfund

## Description of Incremental Budget Changes

### Proposed Policy Changes

#### **CRS Support to Transportation Programs - \$6,080,475**

The 2013-2014 Proposed Budget prioritizes Real Estate Excise Tax (REET) funding to support multi-modal transportation system investments. This includes over \$2 million annually of additional REET funding for arterial major maintenance of the City's roads and \$1.5 million in 2013 for work on transit corridors. The 2013-2014 Proposed Budget also targets investments in the transportation system that enhance the reliability of the system and promote public safety, including \$1 million in 2013 for work on the 3rd Avenue corridor and \$830,000 for projects that create safe routes to schools in greenways. An additional \$1 million in each of 2013 and 2014 is directed to arterial major maintenance in order to free up other funding that will be used to support additional transit corridor work. This adjustment also reflects other miscellaneous changes to transportation programs supported by the Cumulative Reserve Subfunds (CRS). Additional details of transportation programs supported can be found in the Budget Control Level section of the CRS budget under the Support to Transportation BCL.

### Proposed Technical Changes

#### **Technical Adjustments to CRS Supported Programs - \$26,903**

Technical adjustments to reflect changes due to inflation and other miscellaneous adjustments to the CRS supported Tenant Relocation, Design Commission, and McCaw Hall Asset Preservation programs.

#### **Removing One-time Support in 2012 Adopted Budget - (\$1,188,500)**

Technical adjustment to remove a one-time appropriation in the 2012 Adopted Budget for the Street Vacation Subaccount.

#### **Debt Service Reduction - (\$1,353,763)**

Adjustments necessary to align appropriations with current debt service schedules. The significant reduction is a result of maturing debt service in 2012.

#### **Settlement Payments to the Museum of History and Industry (MOHAI) - \$2,500,000**

Scheduled payments per the terms of the settlement agreement between the City of Seattle and the Museum of History and Industry (MOHAI) related to the sale of the McCurdy Park facility formerly occupied by MOHAI.

## Cumulative Reserve Subfund

### Expenditure Overview

Appropriations	Summit Code	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
<b>CRS, REET I Subaccount Appropriations</b>					
1998B Capital Facilities Refunding REET I Budget Control Level	2CCE0-1	3,038,138	1,186,763	0	0
Artwork Conservation - OACA - CRS REET I Budget Control Level	V2ACGM-163	187,000	187,000	187,000	187,000
CRS REET I Support to McCaw Hall Fund Budget Control Level	2SC10	200,000	200,000	220,000	220,000
Design Commission - CRS REET I Budget Control Level	2UU50-DC-163	374,000	302,640	311,719	321,071
Tenant Relocation Assistance Program REET I Budget Control Level	2UU51	44,281	154,500	152,850	157,436
<b>CRS, REET II Subaccount Appropriations</b>					
<b>CRS REET II Support to Transportation Budget Control</b>					
Bridges & Structures - REET II		2,044,577	2,900,000	2,673,000	2,674,000
Corridor & Intersection Improvements - REET II		247,796	0	0	0
Debt Service (SDOT) - REET II		2,698,839	1,529,000	1,362,000	1,362,000
Freight Mobility - REET II		0	0	0	235,000
Landslide Mitigation - REET II		155,409	250,000	200,000	200,000
Neighborhood Enhancements - REET II		772,567	921,000	752,000	0
New Trails and Bike Paths - REET II		0	0	0	0
Roads - REET II		-316	0	4,190,000	4,190,000
Sidewalks & Pedestrian Facilities - REET II		275,553	0	885,000	85,000
Trails and Bike Paths - REET II		67,138	0	0	0
Transit & HOV - REET II		152,756	0	1,500,000	0
<b>Total</b>	<b>2ECM0</b>	<b>6,414,319</b>	<b>5,600,000</b>	<b>11,562,000</b>	<b>8,746,000</b>
<b>CRS, Street Vacation Subaccount Appropriations</b>					
<b>CRS Street Vacation Support to Transportation Budget Control</b>					
Corridor and Intersection Improvements - CRS-SV		53,143	0	0	0
Freight Mobility		390,000	1,188,500	0	0
<b>Total</b>	<b>CRS-StVac-SDOT</b>	<b>443,143</b>	<b>1,188,500</b>	<b>0</b>	<b>0</b>

## Cumulative Reserve Subfund

### CRS, Unrestricted Subaccount Appropriations

Artwork Conservation - OACA - CRS-UR Budget Control Level	V2ACGM	12,500	0	0	0
CRS-U Support to General Subfund Budget Control Level	CRS-U- GSF	8,500,000	0	0	0
CRS-U Support to Transportation Budget Control Level	CRS-U- SDOT	1,259,921	1,074,150	1,025,625	504,500
MOHAI Replacement Facilities Budget Control Level	KMOHAI	11,500,000	0	2,500,000	2,500,000
Tenant Relocation Assistance Program - CRS-UR Budget Control Level	2UU50- TA	74,000	74,000	73,474	75,678
<b>Department Total</b>		<b>32,047,302</b>	<b>9,967,553</b>	<b>16,032,668</b>	<b>12,711,685</b>
<b>Department Full-time Equivalents Total*</b>		<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

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

## Cumulative Reserve Subfund

### Revenue Overview

#### 2013 Estimated Revenues

Summit Code	Source	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
441990	Habitat Maintenance Contributions	103,643	0	0	0
441990	Other Misc Revenues	23,600	80,000	80,000	55,000
462300	Parking Fees	246,441	170,000	170,000	170,000
462500	Lease Revenues	69,784	45,000	60,000	60,000
479010	Private Donations	958,515	1,451,000	2,326,000	1,633,000
485110	Fund Transfer from Parks for Puget Park Project	203,716	0	0	0
587102	Golf Revenues	165,229	435,000	0	0
	<b>Total Misc Revenues</b>	<b>1,770,928</b>	<b>2,181,000</b>	<b>2,636,000</b>	<b>1,918,000</b>
417340	REET I	15,064,901	14,462,196	18,020,410	20,194,745
417340	REET II	15,101,140	14,462,196	18,020,410	20,194,745
	<b>Total Real Estate Excise Taxes</b>	<b>30,166,041</b>	<b>28,924,392</b>	<b>36,040,820</b>	<b>40,389,489</b>
461110	Interest Earnings -00167	2,770	2,000	2,000	2,000
461110	Interest Earnings -00164	293,255	220,000	220,000	220,000
461110	Interest Earnings -00168	60,707	50,000	50,000	50,000
	<b>Total Interest Earnings</b>	<b>356,732</b>	<b>272,000</b>	<b>272,000</b>	<b>272,000</b>
485110	Street Vacation	661,250	980,000	980,000	5,220,000
485110	Sale of Lands & Buildings	20,000,000	0	8,500,000	0
485110	Street Vacation	661,250	980,000	980,000	5,220,000
	<b>Total Sale of Lands &amp; Buildings</b>	<b>21,322,500</b>	<b>1,960,000</b>	<b>10,460,000</b>	<b>10,440,000</b>
587001	Oper Tr In-Fr General Fund - CRS-U	0	500,000	500,000	500,000
	<b>Total General Subfund Support</b>	<b>0</b>	<b>500,000</b>	<b>500,000</b>	<b>500,000</b>
434010	State Grants	879,027	231,000	11,000	0
441990	Federal Grants	1,685,836	1,115,000	940,000	2,126,000
477020	Local Grants	297,936	0	112,000	0
	<b>Total Grants</b>	<b>2,862,799</b>	<b>1,346,000</b>	<b>1,063,000</b>	<b>2,126,000</b>
437321	King County Tax Levy	5,505,820	1,074,150	1,025,625	504,500
	<b>Total King County Tax Levy</b>	<b>5,505,820</b>	<b>1,074,150</b>	<b>1,025,625</b>	<b>504,500</b>
485110	Oper Tr In-Fr FAS Operating Fund	4,000,000	4,000,000	4,000,000	4,000,000
	<b>Total Oper Tr In-Fr FAS Operating Fund</b>	<b>4,000,000</b>	<b>4,000,000</b>	<b>4,000,000</b>	<b>4,000,000</b>
	<b>Total Revenues</b>	<b>65,984,820</b>	<b>40,257,542</b>	<b>55,997,445</b>	<b>60,149,989</b>

## Cumulative Reserve Subfund

379100	Use of (Contribution to) Fund Balance - 00178	-103,629	0	0	0
379100	Use of (Contribution to) Fund Balance -00163	1,409,981	1,739,707	2,677,794	-4,904,238
379100	Use of (Contribution to) Fund Balance -00161	-889,611	2,531,804	2,822,590	-3,343,745
379100	Use of (Contribution to) Fund Balance - 00167	-2,770	-2,000	-2,000	-2,000
379100	Use of (Contribution to) Fund Balance -00169	-218,107	208,500	-980,000	-5,220,000
379100	Use of (Contribution to) Fund Balance	-5,958,835	-1,331,000	-5,293,629	-3,029,541
379100	Use of (Contribution to) Fund Balance -00168	604,319	1,170,000	-250,000	-250,000
	<b>Total Use of Fund Balance</b>	<b>-5,158,652</b>	<b>4,317,011</b>	<b>-1,025,245</b>	<b>-16,749,523</b>
	<b>Total Resources</b>	<b>60,826,168</b>	<b>44,574,553</b>	<b>54,972,200</b>	<b>43,400,466</b>

## Cumulative Reserve Subfund

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

#### **1998B Capital Facilities Refunding REET I Budget Control Level**

The purpose of the 1998B Capital Facilities Refunding REET I Budget Control Level is to pay debt service on 1998 Series B Limited Tax General Obligation bonds, which were issued to refund bonds issued in 1992 at lower interest rates.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
1998B Capital Facilities Refunding	3,038,138	1,186,763	0	0
<b>Total</b>	<b>3,038,138</b>	<b>1,186,763</b>	<b>0</b>	<b>0</b>

#### **Artwork Conservation - OACA - CRS REET I Budget Control Level**

The purpose of the Artwork Conservation - OACA - CRS REET I Budget Control Level is to support the Arts Conservation Program, which is administered by the Office of Arts & Cultural Affairs. This program provides professional assessment, conservation, repair, routine and major maintenance, and relocation of artwork for the City's approximately 400-piece permanently sited art collection and the approximately 2,700-piece portable artwork collection.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Artwork Conservation - OACA REET I	187,000	187,000	187,000	187,000
<b>Total</b>	<b>187,000</b>	<b>187,000</b>	<b>187,000</b>	<b>187,000</b>

#### **CRS REET I Support to McCaw Hall Fund Budget Control Level**

The purpose of the CRS REET I Support to McCaw Hall Fund Budget Control Level is to appropriate resources from REET I to the McCaw Hall Fund to support major maintenance work on McCaw Hall. Any capital projects related to the expenditure of this reserve are listed in Seattle Center's Capital Improvement Program.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
CRS REET I Support to McCaw Hall Fund	200,000	200,000	220,000	220,000
<b>Total</b>	<b>200,000</b>	<b>200,000</b>	<b>220,000</b>	<b>220,000</b>

## Cumulative Reserve Subfund

### Design Commission - CRS REET I Budget Control Level

The purpose of the Design Commission - CRS REET I Budget Control Level is to support the Design Commission, which advises the Mayor, City Council, and City departments on the design of capital improvements and other projects that shape Seattle's public realm. The goals of the Commission are to see that public facilities and projects within the city's right-of-way incorporate design excellence, that City projects achieve their goals in an economical manner, and that they fit the City's design goals.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Design Commission - CRS REET I	374,000	302,640	311,719	321,071
<b>Total</b>	<b>374,000</b>	<b>302,640</b>	<b>311,719</b>	<b>321,071</b>

### Tenant Relocation Assistance Program REET I Budget Control Level

The purpose of the Tenant Relocation Assistance Program REET I Budget Control Level is to allow the City to pay for relocation assistance to low income tenants displaced by development activity, as authorized by SMC 22.210 and RCW 59.18.440.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Tenant Relocation Assistance Program REET I	44,281	154,500	152,850	157,436
<b>Total</b>	<b>44,281</b>	<b>154,500</b>	<b>152,850</b>	<b>157,436</b>

### CRS REET II Support to Transportation Budget Control Level

The purpose of the CRS REET II Support to Transportation Budget Control Level is to appropriate funds from REET II to the Transportation Operating Fund to support specific capital programs, or in the case of the Debt Service Program, appropriate funds to pay debt service costs directly from the REET II Subaccount.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Bridges & Structures - REET II	2,044,577	2,900,000	2,673,000	2,674,000
Corridor & Intersection Improvements - REET II	247,796	0	0	0
Debt Service (SDOT) - REET II	2,698,839	1,529,000	1,362,000	1,362,000
Freight Mobility - REET II	0	0	0	235,000
Landslide Mitigation - REET II	155,409	250,000	200,000	200,000
Neighborhood Enhancements - REET II	772,567	921,000	752,000	0
New Trails and Bike Paths - REET II	0	0	0	0
Roads - REET II	-316	0	4,190,000	4,190,000
Sidewalks & Pedestrian Facilities - REET II	275,553	0	885,000	85,000
Trails and Bike Paths - REET II	67,138	0	0	0
Transit & HOV - REET II	152,756	0	1,500,000	0
<b>Total</b>	<b>6,414,319</b>	<b>5,600,000</b>	<b>11,562,000</b>	<b>8,746,000</b>

## Cumulative Reserve Subfund

### **CRS Street Vacation Support to Transportation Budget Control Level**

The purpose of the CRS Street Vacation Support to Transportation Budget Control Level is to appropriate funds from the CRS Street Vacation Subaccount to support specific transportation capital programs.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Corridor and Intersection Improvements - CRS-SV	53,143	0	0	0
Freight Mobility	390,000	1,188,500	0	0
<b>Total</b>	<b>443,143</b>	<b>1,188,500</b>	<b>0</b>	<b>0</b>

### **Artwork Conservation - OACA - CRS-UR Budget Control Level**

The purpose of the Artwork Conservation - OACA - CRS-UR Budget Control Level is to support the Arts Conservation Program, which is administered by the Office of Arts & Cultural Affairs. This program provides professional assessment, conservation, repair, routine and major maintenance, and relocation of artwork for the City's approximately 400-piece permanently sited art collection and the approximately 2,700-piece portable artwork collection.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Artwork Conservation - OACA	12,500	0	0	0
<b>Total</b>	<b>12,500</b>	<b>0</b>	<b>0</b>	<b>0</b>

### **CRS-U Support to General Subfund Budget Control Level**

The purpose of the CRS-U Support to General Subfund Budget Control Level is to provide funding to support General Subfund programs.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
CRS-U Support to General Subfund	8,500,000	0	0	0
<b>Total</b>	<b>8,500,000</b>	<b>0</b>	<b>0</b>	<b>0</b>

### **CRS-U Support to Transportation Budget Control Level**

The purpose of the CRS-U Support to Transportation Budget Control Level is to appropriate funds from CRS Unrestricted Sub-account to the Transportation Operating Fund to support specific capital programs and pay debt service on specified transportation projects.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
CRS-U Support to Transportation	1,259,921	1,074,150	1,025,625	504,500
<b>Total</b>	<b>1,259,921</b>	<b>1,074,150</b>	<b>1,025,625</b>	<b>504,500</b>

## Cumulative Reserve Subfund

### **MOHAI Replacement Facilities Budget Control Level**

The purpose of the MOHAI Replacement Facilities Budget Control Level is to replace the functions and facilities of the Museum of History and Industry's (MOHAI) Montlake location, including but not limited to those facilities and functions included in MOHAI's proposed project at the Lake Union Armory. The City intends to use the proceeds it receives from the Washington State Department of Transportation's purchase of the city-owned MOHAI facility at Montlake to contract with MOHAI to replace those functions and facilities.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
MOHAI Replacement Facilities	11,500,000	0	2,500,000	2,500,000
<b>Total</b>	<b>11,500,000</b>	<b>0</b>	<b>2,500,000</b>	<b>2,500,000</b>

### **Tenant Relocation Assistance Program - CRS-UR Budget Control Level**

The purpose of the Tenant Relocation Assistance Program - CRS-UR Budget Control Level is to allow the City to pay for relocation assistance to low-income tenants displaced by development activity, as authorized by SMC 22.210 and RCW 59.18.440.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Tenant Relocation Assistance Program	74,000	74,000	73,474	75,678
<b>Total</b>	<b>74,000</b>	<b>74,000</b>	<b>73,474</b>	<b>75,678</b>

## Cumulative Reserve Subfund

### Total CRS Appropriations for 2013 /2014 Proposed Budget For Informational Purposes Only

**CRS Table 1 - Appropriations By Subfund and Department**

Fund	Dept:	<u>2013 Proposed</u>			<u>2014 Proposed</u>		
		CRS Direct	Dept Capital	CRS Total	CRS Direct	Dept Capital	CRS Total
<b>Cumulative Reserve Subfund –REET I (00163)</b>							
	Seattle Center	\$0	\$5,902	\$5,902	\$0	\$3,214	\$3,214
	Seattle Public Library	\$0	\$677	\$677	\$0	\$500	\$500
	Department of Parks & Recreation	\$0	\$3,677	\$3,677	\$0	\$5,753	\$5,753
	Finance & Administrative Services Department	\$0	\$9,571	\$9,571	\$0	\$4,938	\$4,938
	Cumulative Reserve Subfund Direct Spending	\$872	\$0	\$872	\$886	\$0	\$886
	<b>Subtotal</b>	<b>\$872</b>	<b>\$19,827</b>	<b>\$20,699</b>	<b>\$886</b>	<b>\$14,405</b>	<b>\$15,291</b>
<b>Cumulative Reserve Subfund –REET II (00161)</b>							
	Seattle Department of Transportation	\$11,562	\$0	\$11,562	\$8,746	\$0	\$8,746
	Department of Parks & Recreation		\$9,281	\$9,281		\$8,104	\$8,104
	Finance & Administrative Services Department		\$0	\$0		\$0	\$0
	<b>Subtotal</b>	<b>\$11,562</b>	<b>\$9,281</b>	<b>\$20,843</b>	<b>\$8,746</b>	<b>\$8,104</b>	<b>\$16,850</b>
<b>Cumulative Reserve Subfund –Unrestricted (00164)</b>							
	Seattle Center		\$2,233	\$2,233		\$1,437	\$1,437
	Seattle Department of Transportation	\$1,026	\$0	\$1,026	\$505		\$505
	Department of Parks & Recreation		\$3,775	\$3,775		\$2,917	\$2,917
	Finance & Administrative Services Department		\$24	\$24		\$25	\$25
	Cumulative Reserve Subfund Direct Spending	\$2,573	\$0	\$2,573	\$2,576	\$0	\$2,576
	<b>Subtotal</b>	<b>\$3,599</b>	<b>\$6,032</b>	<b>\$9,631</b>	<b>\$3,081</b>	<b>\$4,379</b>	<b>\$7,460</b>
<b>Cumulative Reserve Subfund – Asset Preservation (00168)</b>							
	Finance & Administrative Services Department		\$3,800	\$3,800		\$3,800	\$3,800
	<b>Subtotal</b>	<b>\$0</b>	<b>\$3,800</b>	<b>\$3,800</b>	<b>\$0</b>	<b>\$3,800</b>	<b>\$3,800</b>

## Cumulative Reserve Subfund

### Cumulative Reserve Subfund – Street Vacation (00169)

Seattle Department of Transportation	\$0	\$0	\$0	\$0	\$0	\$0
<b>Subtotal</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Total CRS Department</b>	<b>\$16,033</b>	<b>\$38,940</b>	<b>\$54,973</b>	<b>\$12,712</b>	<b>\$30,688</b>	<b>\$43,400</b>

### CRS Table 2 - Appropriations By Department

Department	<u>2013 Proposed</u>			<u>2014 Proposed</u>		
	CRS Direct	Dept Capital	CRS Total	CRS Direct	Dept Capital	CRS Total
<b>Subtotals by Department</b>						
Seattle Center	\$0	\$8,135	\$8,135	\$0	\$4,651	\$4,651
Seattle Public Library	\$0	\$677	\$677	\$0	\$500	\$500
Seattle Department of Transportation	\$12,588	\$0	\$12,588	\$9,251	\$0	\$9,251
Department of Parks & Recreation	\$0	\$16,733	\$16,733	\$0	\$16,774	\$16,774
Finance & Administrative Services Department	\$0	\$13,395	\$13,395	\$0	\$8,763	\$8,763
Cumulative Reserve Subfund Direct Spending	\$3,445	\$0	\$3,445	\$3,461	\$0	\$3,461
<b>Total</b>	<b>\$16,033</b>	<b>\$38,940</b>	<b>\$54,973</b>	<b>\$12,712</b>	<b>\$30,688</b>	<b>\$43,400</b>

## Cumulative Reserve Subfund

### CRS Fund Table

#### Cumulative Reserve Subfund - Unrestricted Subaccount (00164)

	2011 Actuals	2012 Adopted	2012 Revised	2013 Proposed	2014 Proposed
<b>Beginning Fund Balance</b>	-4,933,203	-3,912,453	1,025,632	1,812,432	7,106,061
Accounting and Technical Adjustments	0	0	0	0	0
Plus: Actual and Estimated Revenues	30,990,409	6,301,150	5,756,950	14,924,625	10,488,500
Less: Actual and Budgeted Expenditures	21,346,421	1,148,150	1,148,150	3,599,099	3,080,178
Less: Capital Improvements	3,685,153	3,822,000	3,822,000	6,031,897	4,378,781
<b>Ending Fund Balance</b>	<b>1,025,632</b>	<b>-2,581,453</b>	<b>1,812,432</b>	<b>7,106,061</b>	<b>10,135,602</b>
District Energy Investment Reserve				350,000	350,000
Reserve for MOHAI Payments				6,000,000	3,500,000
Transit Master Plan Investment Reserve					2,500,000
Continuing Appropriations	5,698,220	6,087,243	5,698,220	5,698,220	5,698,220
<b>Total Reserves</b>	<b>5,698,220</b>	<b>6,087,243</b>	<b>5,698,220</b>	<b>12,048,220</b>	<b>12,048,220</b>
<b>Ending Unreserved Fund Balance</b>	<b>-4,672,588</b>	<b>-8,668,696</b>	<b>-3,885,788</b>	<b>-4,942,159</b>	<b>-1,912,618</b>

#### Cumulative Reserve Subfund, Asset Preservation Subaccount - Fleets and Facilities (00168)

	2011 Actuals	2012 Adopted	2012 Revised	2013 Proposed	2014 Proposed
<b>Beginning Fund Balance</b>	6,122,670	6,469,255	5,518,350	4,348,350	4,598,350
Accounting and Technical Adjustments	0	0	0	0	0
Plus: Actual and Estimated Revenues	4,060,707	4,050,000	4,050,000	4,050,000	4,050,000
Less: Capital Improvements	4,665,027	5,220,000	5,220,000	3,800,000	3,800,000
<b>Ending Fund Balance</b>	<b>5,518,350</b>	<b>5,299,255</b>	<b>4,348,350</b>	<b>4,598,350</b>	<b>4,848,350</b>
Continuing Appropriations	4,031,776	4,976,802	4,031,776	4,031,776	4,031,776
Designated for Special Purpose	1,486,574	322,453	316,574	566,574	816,574
<b>Total Reserves</b>	<b>5,518,350</b>	<b>5,299,255</b>	<b>4,348,350</b>	<b>4,598,350</b>	<b>4,848,350</b>
<b>Ending Unreserved Fund Balance</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Cumulative Reserve Subfund

### Cumulative Reserve Subfund - Street Vacation Subaccount (00169)

	2011 Actuals	2012 Adopted	2012 Revised	2013 Proposed	2014 Proposed
<b>Beginning Fund Balance</b>	<b>86,455</b>	<b>955,205</b>	<b>304,562</b>	<b>-1,058,251</b>	<b>-78,251</b>
Accounting and Technical Adjustments	0	0	0	0	0
Plus: Actual and Estimated Revenues	661,250	980,000	435,800	980,000	5,220,000
Less: Actual and Budgeted Expenditures	443,143	1,188,500	1,798,613	0	0
<b>Ending Fund Balance</b>	<b>304,562</b>	<b>746,705</b>	<b>-1,058,251</b>	<b>-78,251</b>	<b>5,141,749</b>
Continuing Appropriations	480,753	623,896	1,870,640	1,870,640	1,870,640
Designated for Special Purpose					3,271,109
<b>Total Reserves</b>	<b>480,753</b>	<b>623,896</b>	<b>1,870,640</b>	<b>1,870,640</b>	<b>5,141,749</b>
<b>Ending Unreserved Fund Balance</b>	<b>-176,191</b>	<b>122,809</b>	<b>-2,928,891</b>	<b>-1,948,891</b>	<b>0</b>

### Cumulative Reserve Subfund - REET II Subaccount (00161)

	2011 Actuals	2012 Adopted	2012 Revised	2013 Proposed	2014 Proposed
<b>Beginning Fund Balance</b>	<b>10,246,053</b>	<b>11,839,550</b>	<b>11,135,666</b>	<b>12,219,112</b>	<b>9,396,522</b>
Accounting and Technical Adjustments	0	0	0	0	0
Plus: Actual and Estimated Revenues	15,101,140	14,462,196	18,077,446	18,020,410	20,194,745
Less: Actual and Budgeted Expenditures	6,414,319	5,600,000	5,600,000	11,562,000	8,746,000
Less: Capital Improvements	7,797,208	11,394,000	11,394,000	9,281,000	8,105,000
<b>Ending Fund Balance</b>	<b>11,135,666</b>	<b>9,307,746</b>	<b>12,219,112</b>	<b>9,396,522</b>	<b>12,740,266</b>
Reserve for ADA & Other Major Maintenance	0				90,000
Reserve of Neighborhood Project Fund					1,100,000
Cash Balance Reserve	1,000,000	1,400,000	1,400,000	2,850,000	5,000,000
Continuing Appropriations	6,540,996	7,845,686	6,540,996	6,540,996	6,540,996
<b>Total Reserves</b>	<b>7,540,996</b>	<b>9,245,686</b>	<b>7,940,996</b>	<b>9,390,996</b>	<b>12,730,996</b>
<b>Ending Unreserved Fund Balance</b>	<b>3,594,670</b>	<b>62,060</b>	<b>4,278,116</b>	<b>5,526</b>	<b>9,270</b>

## Cumulative Reserve Subfund

### Cumulative Reserve Subfund - South Lake Union Property Proceeds Subaccount (00167)

	2011 Actuals	2012 Adopted	2012 Revised	2013 Proposed	2014 Proposed
<b>Beginning Fund Balance</b>	<b>311,231</b>	<b>313,231</b>	<b>314,001</b>	<b>316,001</b>	<b>318,001</b>
Accounting and Technical Adjustments	0	0	0	0	0
Plus: Actual and Estimated Revenues	2,770	2,000	2,000	2,000	2,000
<b>Ending Fund Balance</b>	<b>314,001</b>	<b>315,231</b>	<b>316,001</b>	<b>318,001</b>	<b>320,001</b>
<b>Ending Unreserved Fund Balance</b>	<b>314,001</b>	<b>315,231</b>	<b>316,001</b>	<b>318,001</b>	<b>320,001</b>

### Cumulative Reserve Subfund - Bluefields Subaccount (00178)

	2011 Actuals	2012 Adopted	2012 Revised	2013 Proposed	2014 Proposed
<b>Beginning Fund Balance</b>	<b>0</b>	<b>103,643</b>	<b>103,643</b>	<b>203,643</b>	<b>203,643</b>
Accounting and Technical Adjustments	0	0	0	0	0
Plus: Actual and Estimated Revenues	103,643	0	100,000	0	0
<b>Ending Fund Balance</b>	<b>103,643</b>	<b>103,643</b>	<b>203,643</b>	<b>203,643</b>	<b>203,643</b>
<b>Ending Unreserved Fund Balance</b>	<b>103,643</b>	<b>103,643</b>	<b>203,643</b>	<b>203,643</b>	<b>203,643</b>

## Cumulative Reserve Subfund

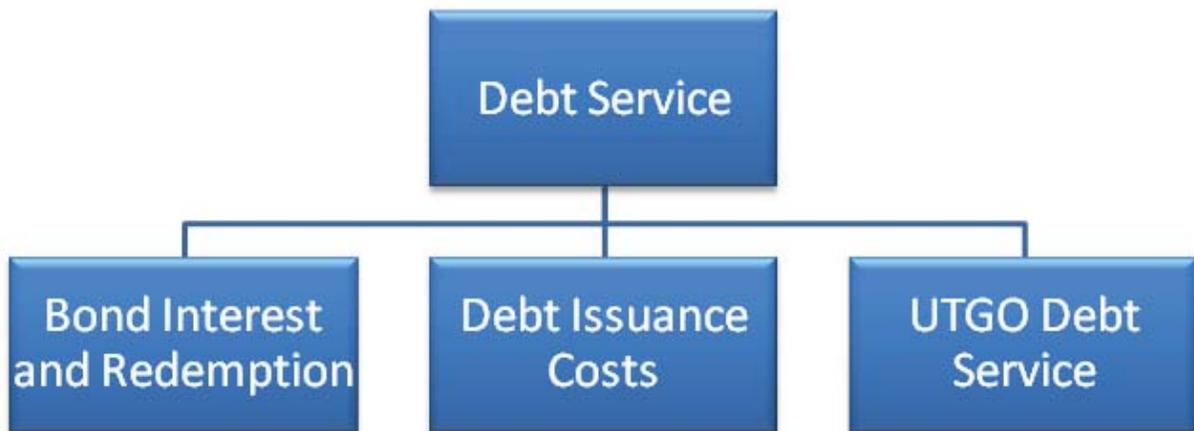
### Cumulative Reserve Subfund - REET I Subaccount (00163)

	2011 Actuals	2012 Adopted	2012 Revised	2013 Proposed	2014 Proposed
<b>Beginning Fund Balance</b>	<b>21,186,202</b>	<b>21,405,300</b>	<b>19,776,221</b>	<b>21,710,264</b>	<b>19,032,470</b>
Accounting and Technical Adjustments	0	0	0	0	0
Plus: Actual and Estimated Revenues	15,064,901	14,462,196	18,077,446	18,020,410	20,194,745
Less: Actual and Budgeted Expenditures	3,843,419	2,030,903	1,972,403	871,569	885,507
Less: Capital Improvements	12,631,463	14,171,000	14,171,000	19,826,635	14,405,000
<b>Ending Fund Balance</b>	<b>19,776,221</b>	<b>19,665,593</b>	<b>21,710,264</b>	<b>19,032,470</b>	<b>23,936,707</b>
Continuing Appropriations	14,971,553	17,316,994	14,971,553	14,971,553	14,971,553
Reserve for ADA & Other Major Maintenance				280,000	3,958,000
Cash Balance Reserve	1,000,000	2,250,000	2,250,000	3,750,000	5,000,000
<b>Total Reserves</b>	<b>15,971,553</b>	<b>19,566,994</b>	<b>17,221,553</b>	<b>19,001,553</b>	<b>23,929,553</b>
<b>Ending Unreserved Fund Balance</b>	<b>3,804,668</b>	<b>98,599</b>	<b>4,488,711</b>	<b>30,917</b>	<b>7,154</b>



# Debt Service

Fred Podesta, Director  
 Department Information Line: (206) 386-0041



## 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, General Obligation (GO) Issuance Costs, and Unlimited Tax General Obligation (UTGO) (voter approved) debt service payments.

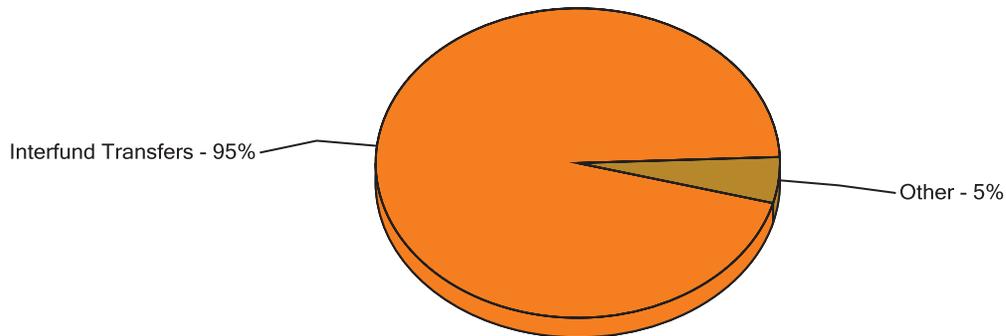
## Budget Snapshot

Department Support	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Other Funding - Operating	\$0	\$20,065,376	\$19,474,585	\$18,723,661
<b>Total Operations</b>	<b>\$0</b>	<b>\$20,065,376</b>	<b>\$19,474,585</b>	<b>\$18,723,661</b>
<b>Total Appropriations</b>	<b>\$0</b>	<b>\$20,065,376</b>	<b>\$19,474,585</b>	<b>\$18,723,661</b>
Full-time Equivalent Total*	0.00	0.00	0.00	0.00

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

## Debt Service

### 2013 Proposed Budget - Expenditure by Category



### Budget Overview

In addition to the regular operating budget, the City uses bonds and property tax levies to fund a variety of special capital improvement projects. The City's budget must include funds to pay interest due on outstanding bonds and to pay the principal amount of bonds at maturity. The City has issued three types of debt to finance its capital improvement programs:

#### 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 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, 2011, there were approximately \$121 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.

## Debt Service

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, 2011, the guarantees totaled \$77 million out of \$924 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**

<u>Form of Debt</u>	<u>Voter Approval Required</u>	<u>Source of Repayment</u>	<u>Statutory Limitation</u>	<u>Current Limit*</u>	<u>Outstanding 12-31-11*</u>
<b>Unlimited Tax General Obligation Bonds (UTGO)</b>					
Parks & Open Space	Yes	Property Tax	2.5% of AV	\$2.9 Billion	\$0
Utility	Yes	Property Tax	2.5% of AV	\$2.9 Billion	\$2 Million
General Purposes	Yes	Property Tax	1.0 % of AV**	\$1.2 Billion	\$119 Million
<b>Limited Tax General Obligation Bonds (LTGO)</b>	No	Taxes and Other Revenues	1.5% of AV**	\$1.8 Billion	\$901 Million ***

\* As of 12/31/11, assuming the latest certified assessed value of \$117.5 billion, issued on January 31, 2012, for taxes payable in 2012.

\*\* The sum of UTGO and LTGO debt for general purposes cannot exceed 2.5% of assessed valuation.

\*\*\*Includes \$77 million of PDA debt guarantees.

### City Debt Management Policies and Bond Ratings

The use of debt financing by the City is subject not only to state law, but also to the debt management policies adopted by the Mayor and City Council. According to these policies, a capital project should be financed with bond proceeds only under certain circumstances including the following:

- in emergencies;
- when the project being financed will produce revenues that can be used to pay debt service on the bonds; or

## Debt Service

- when the use of debt will result in a more equitable sharing of the costs of the project between current and future beneficiaries of the project.

Paying for long-lived assets, such as libraries or parks, from current tax revenues would place a large burden on current taxpayers, while allowing future beneficiaries to escape the burden of payment. The use of debt effectively spreads the cost of acquiring or constructing capital assets over the life of the bonds.

The City's debt management policies require that 12% of the City's LTGO total issuance capacity be reserved for emergencies. They also state that net debt service on LTGO bonds (defined as total debt service, minus dedicated project revenues) should not exceed 9% of the General Fund budget, and should remain below 7% over the long term (currently about 6%).

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 S&P, AA+ by Fitch, and Aa1 by Moody's. In addition, the City's utilities have very high ratings for revenue debt, reflecting sound finances and good management.

### 2013 and 2014 Projected Bond Issues

In 2013, the City expects to issue approximately \$85 million of limited tax general obligation 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 2013 Multipurpose Bond Fund. City departments responsible for all or portions of projects in Table 2 will then draw money from this Fund as appropriated to implement the projects. The appropriations for those funds are in the respective departments' pages of this budget book. Table 3 shows a potential list of projects that may receive debt financing in 2014. In addition, the Seattle City Council has voted to place a \$290 million voter-approved (UTGO) bond measure for replacement of the Seawall on the November, 2012 ballot. If approved by voters, the City would begin borrowing for this project in 2013.

## Debt Service

**Table 2 – 2013 Multipurpose LTGO Bond Issue – in \$1,000s Information Only**

<u>Project</u>	<u>Capital Cost</u>	<u>Approx. Par Amount (1)</u>	<u>Max Term</u>	<u>Approx. Rate</u>	<u>Debt Service Proposed 2013</u>	<u>Debt Service Estimated 2014</u>	<u>Debt Service Funding Src</u>
Bridge Seismic (BTG)	6,928	7,136	20	4.5%	241	549	SDOT (BTG) (2)
Mercer West (CPT)	11,173	11,508	20	4.5%	388	885	SDOT (CPT) (3)
South Park Bridge	10,000	10,300	20	4.5%	348	792	GF
Seawall (CPT)	6,200	6,386	20	4.5%	216	491	SDOT (CPT) (3)
Golf	7,371	7,592	20	4.5%	256	584	DPR
Rainier Beach Community Center	6,600	6,798	20	4.5%	229	523	GF
Magnuson 30	5,215	5,371	12	3.5%	141	556	DPR
Fire Facilities (1 of 5)	12,726	13,108	20	4.5%	442	1,008	REET I
B&O IT	7,632	7,861	5	3.0%	177	1,716	GF (4)
Financial IT Upgraded (1 of 3)	5,886	6,063	5	3.0%	136	1,324	FAS
Data Center (1 of 3)	2,625	2,704	15	4.5%	91	252	DOIT
<b>Total</b>	<b>82,356</b>	<b>84,827</b>			<b>2,666</b>	<b>8,678</b>	

(1) Includes 3% for costs of issuance and pricing adjustments.

(2) Proceeds from Bridging the Gap - Commercial Park Tax Receipts

(3) Proceeds from Commercial Parking Taxes.

(4) Shared 70% GF and 30% other cities.

## Debt Service

**Table 3 - 2014 Multipurpose LTGO Bond Issue - in \$1,000s Information Only**

Project	Capital Cost	Approx. Par Amount (1)	Max Term	Approx. Rate	Debt Service Proposed 2013	Debt Service Estimated 2014	Debt Service Funding Src
Bridge Rehab (BTG)	1,236	1,273	20	0.045	-	43	SDOT (BTG) (2)
Bridge Seismic (BTG)	2,518	2,594	20	0.045	-	88	SDOT (BTG) (2)
South Park Bridge	5,000	5,150	20	0.045	-	174	GF
Linden (BTG)	1,250	1,288	15	0.045	-	43	SDOT (BTG) (2)
ROW for Waterfront	5,000	5,150	20	0.045	-	174	GF
Fire Facilities (2 of 5)	8,650	8,910	20	0.045	-	301	REET I
North Precinct (2 of 3)	13,750	14,163	20	0.045	-	478	GF
Financial IT Upgraded (2 of 3)	7,038	7,249	5	3.0%	-	163	FAS
Data Center (2 of 3)	29,465	30,349	15	4.5%	-	1,024	DoIT
IT -Electronic Records	3,000	3,090	5	3.0%	-	70	DoIT
IT -Computing Architecture	1,000	1,030	5	3.0%	-	23	DoIT
IT -Enterprise	2,170	2,235	5	3.0%	-	50	DoIT
<b>Total</b>	<b>80,077</b>	<b>82,481</b>				<b>2,631</b>	

(1) Includes 3% for costs of issuance and pricing adjustments.

(2) Proceeds from Bridging the Gap - Commercial Park Tax Receipts

## Debt Service

**Table 4 - 2013 Multipurpose LTGO Fund Issuance Costs - in \$1,000s Information Only**

<b>Approx. Par Amount</b>	<b>Issuance Costs &amp; Pricing Adjustments</b>	<b>Issuance Cost Adopted 2013</b>
84,827	3%	2,471

Table 4 shows the estimated \$2.5 million of costs of issuance and pricing adjustments for the 2013 LTGO bond issue. Table 5 on the following pages displays outstanding LTGO debt service requirements sorted by issuance; Table 6 displays the funds used to pay outstanding LTGO debt service, listing issuance year and funding source; and Table 7 displays UTGO debt service. All tables in this section are for informational purposes only; legal appropriations are included else- where in the budget document.

**Table 5 - Limited Tax General Obligation Bonds Debt Service by Bond Issuance (1,000s )**

	2012	2013	2014
<b>1998 Bond Issue</b>			
Historic Buildings	200,363		
Housing	842,601		
Parks	344,161		
Seismic - DH Fire	15,532		
Seismic Fire	25,568		
<b>1998 Bond Issue Total</b>	<b>1,428,225</b>		
<b>1998 E Bond Issue</b>			
Downtown Parking Garage	2,470,000	2,640,000	1,555,000
<b>1998 E Bond Issue Total</b>	<b>2,470,000</b>	<b>2,640,000</b>	<b>1,555,000</b>
<b>2002 Bond Issue</b>			
City Hall	752,623		
Civic Center Open Space	247,338		
Historic Buildings	1,594,325		
Justice Center	752,623		
McCaw Hall	657,813		
Seattle Center Kitchen	94,725		
Seattle Municipal Tower TI	368,375		
Southwest Precinct	131,563		
University Way (Long)	257,863		
West Seattle Swing Bridge	257,863		
Westbridge	442,050		
<b>2002 Bond Issue Total</b>	<b>5,557,159</b>		

## Debt Service

	2012	2013	2014
<b>2003 Bond Issue</b>			
Joint Training Facility	144,872	114,400	
McCaw Hall (long)	111,297	88,400	
Roof/Structural Replacement & Repair	784,000	780,000	
SMT Base	124,747	98,800	
SR 519	179,556	140,400	
<b>2003 Bond Issue Total</b>	<b>1,344,472</b>	<b>1,222,000</b>	
<b>2004 Bond Issue</b>			
Concert Hall	1,772,974	1,770,949	1,771,498
Park 90/5 Police Support Acquisition	850,509	852,988	854,254
Seattle Municipal Tower Acquisition	6,330,692	6,323,488	6,328,673
<b>2004 Bond Issue Total</b>	<b>8,954,175</b>	<b>8,947,425</b>	<b>8,954,425</b>
<b>2005 Bond Issue</b>			
Alaskan Way Tunnel / Seawall	303,109	231,500	231,500
Aquarium Pier 59	1,218,094	931,750	931,500
Aquarium Pier 59 Entry	144,078	110,000	110,250
City Hall	874,263	875,013	874,763
Civic Center Open Space	779,250	783,000	780,250
Convention Center	575,750	579,250	571,500
Fremont Bridge Approaches	88,484	69,500	71,500
Justice Center	2,224,794	2,225,794	2,234,294
Library Garage	349,141	266,250	264,750
Sandpoint	731,000	733,750	730,000
SeaPark	438,250	438,500	443,000
South Precinct	325,000	324,000	327,500
West Precinct	1,301,250	1,302,750	1,306,500
<b>2005 Bond Issue Total</b>	<b>9,352,463</b>	<b>8,871,056</b>	<b>8,877,306</b>
<b>2006 Bond Issue</b>			
Alaskan Way Viaduct	392,676	392,176	395,476
Aquarium Pier 59	138,303	139,428	140,090
Mercer Corridor Design	466,375		
Ninth & Lenora	336,025	335,900	339,075
Park 90/5 Earthquake Repair	1,066,429	1,065,804	1,066,379
SLU Streetcar	137,251	137,626	137,501
<b>2006 Bond Issue Total</b>	<b>2,537,059</b>	<b>2,070,934</b>	<b>2,078,521</b>

## Debt Service

	2012	2013	2014
Alaskan Way Tunnel / Seawall	489,250	491,000	486,750
Aquarium	836,250	1,080,000	1,380,000
Downtown Parking Garage	2,881,500	2,881,500	4,041,500
Monorail	549,500	549,000	547,500
Northgate Land Acquisition	240,750	240,250	239,500
Parking Pay Stations	756,000		
Zoo Garage	151,443	151,828	151,470
<b>2007 Bond Issue Total</b>	<b>7,130,000</b>	<b>6,622,000</b>	<b>8,072,250</b>
<b>2008 Bond Issue</b>			
Bridge Rehab (BTG)	306,250	304,500	302,500
Bridge Seismic (BTG)	117,750	120,250	122,500
Fire Station Projects	5,016,250	5,013,750	
King Street Station (BTG)	252,000	251,500	250,750
Lander (BTG)	246,000	214,750	234,750
Mercer (BTG)	3,782,750	3,326,250	3,632,750
Park 90/5 Police Support Acquisition	303,124	303,124	303,124
Parking Pay Stations	479,500	477,750	
Seattle Municipal Tower & Police Support	2,440,376	2,440,376	2,440,376
South Lake Union Projects	370,500	369,500	372,750
Spokane (BTG)	805,500	710,000	773,250
<b>2008 Bond Issue Total</b>	<b>14,120,000</b>	<b>13,531,750</b>	<b>8,432,750</b>
<b>2009 Bond Issue</b>			
Alaskan Way Tunnel / Seawall	203,050	201,625	204,125
Arterial Asphalt and Concrete	3,216,550	4,137,250	6,580,875
Bridge Rehab (BTG)	1,064,900	1,069,250	1,065,250
IT Servers and Storage	943,500		
IT Software Migration and Mgt.	1,699,700	1,701,500	
Jail	95,250	95,063	94,656
King Street Station (BTG)	132,950	130,250	132,125
Market 96 Refunding	469,900	461,500	466,000
North Precinct	94,100	92,750	96,125
Northgate Land Acquisition	474,000	469,875	469,375
Northgate Park	206,766	206,483	207,218
Pike Place Market	2,502,900	2,505,375	2,506,125
Rainier Beach Community Center	515,100	518,625	519,375
Rainier Beach Community Center (reallocated from NG)	285,534	285,143	286,158
Spokane (BTG)	2,159,700	2,155,500	2,156,750
Spokane (BTG) (Redirected from Jail)	285,750	285,188	283,969
Trails	1,074,150	1,025,625	504,500
<b>2009 Bond Issue Total</b>	<b>15,423,800</b>	<b>15,341,000</b>	<b>15,572,625</b>

## Debt Service

	2012	2013	2014
<b>2010A BAB Issue</b>			
Alaskan Way Tunnel / Seawall	350,757	350,757	350,757
Bridge Rehab (BTG)	1,209,875	1,209,875	1,209,875
Bridge Seismic (BTG)	482,808	482,808	482,808
Fire Station Projects	177,924	177,924	177,924
Golf	22,075	22,075	22,075
King Street Station (BTG)	21,007	21,007	21,007
Mercer (BTG)	122,904	122,904	122,904
Mercer West (BTG)	357,448	357,448	357,448
Spokane (BTG)	269,530	269,530	269,530
<b>2010A BAB Issue Total</b>	<b>3,014,327</b>	<b>3,014,327</b>	<b>3,014,327</b>
<b>2010B Bond Issue</b>			
Alaskan Way Tunnel / Seawall	483,600	479,000	480,250
Ballard Neighborhood Center	364,100	364,900	362,900
Bridge Rehab (BTG)	167,250	167,250	167,250
Bridge Seismic (BTG)	67,000	67,000	67,000
City Hall	2,760,813	3,268,413	3,287,913
Civic Center Open Space	139,800	379,800	382,800
Fire Station Projects	457,800	459,000	456,000
Golf	53,850	57,250	55,000
Interactive Voice Response	167,508	166,320	
Interbay Golf Facilities	388,200	388,400	390,650
Justice Center	2,754,788	3,272,588	3,281,838
King Street Station (BTG)	3,000	3,000	3,000
McCaw Hall	172,500	797,500	796,250
Mercer (BTG)	17,250	17,250	17,250
Mercer West (BTG)	49,500	49,500	49,500
Parking Pay Stations	415,800	417,000	419,000
Pike Place Market	1,221,350	1,223,750	1,223,250
Police Training Facilities	213,450	213,050	211,050
Seattle Municipal Tower TI	310,550	658,750	652,500
Southwest Precinct	707,950	841,950	834,450
Spokane (BTG)	37,500	37,500	37,500
Tier 1 SAN & Enterprise Comp.	340,092	337,680	
Training Facilities	451,600	455,200	450,200
Westbridge	250,400	680,400	683,900
Park 90/5 - 2001	369,550	365,150	363,150
<b>2010B Bond Issue Total</b>	<b>12,365,200</b>	<b>15,167,600</b>	<b>14,672,600</b>

## Debt Service

	2012	2013	2014
<b>2011 Bond Issue</b>			
Bridge Rehab (BTG)	732,969	729,381	732,194
Bridge Seismic (BTG)	140,369	138,719	141,344
Golf	158,475	161,350	163,225
King Street Station (BTG)	286,544	288,181	288,369
Pike Place Market	377,500	5,226,125	5,222,375
Rainier Beach Community Center	321,844	323,069	322,694
Spokane (BTG)	1,613,750	1,614,800	1,612,925
Seattle Center House	381,000	384,000	384,000
Facility Energy Retrofits-CTR	59,600	58,500	57,000
Facility Energy Retrofits-DPR	53,450	52,488	56,050
Facility Energy Retrofits-FAS	76,725	80,288	78,225
AWV - Parking/Prgm Mgt (CPT)	281,300	281,150	278,900
Mercer West (CPT)	581,244	579,444	579,819
Seawall (CPT)	889,550	889,113	889,300
<b>2011 Bond Issue Total</b>	<b>5,954,319</b>	<b>10,806,606</b>	<b>10,806,419</b>
<b>2012 Bond Issue</b>			
Alaskan Way Tunnel / Seawall	60,002	136,750	136,750
Aquarium Pier 59	229,950	547,000	547,000
Aquarium Pier 59 Entry	29,235	65,750	65,750
AWV - Parking/Prgm Mgt	34,796	324,300	323,150
City Hall	154,404	374,200	374,200
Fremont Bridge Approaches	16,842	40,500	40,500
Golf	48,927	287,750	289,150
Historic Buildings	91,598	1,614,050	1,620,050
Joint Training Facility	17,150	58,800	153,800
Justice Center	154,404	374,200	374,200
Library Garage	65,471	155,500	155,500
McCaw Hall (long)	13,548	46,450	126,450
Mercer (BTG)	56,933	335,200	331,000
Rainier Beach Community Center	76,504	447,300	446,750
SMT Base	20,006	51,350	141,350
SR 519	21,379	73,300	193,300
Seawall (CPT)	31,879	189,300	186,900
Linden (BTG)	59,092	407,600	411,450
Library IT	8,663	154,700	155,950
Magnuson Bldg 30	39,171	314,300	313,900
<b>2012 Bond Issue Total</b>	<b>1,229,954</b>	<b>5,998,300</b>	<b>6,387,100</b>

## Debt Service

	2012	2013	2014
<b>2013 Bond Issue</b>			
Bridge Seismic (BTG)	240,836	548,579	
Fire Facilities	442,388	1,007,676	
Golf	256,229	583,641	
Rainier Beach Community Center	229,433	522,604	
South Park Bridge	347,625	791,824	
Mercer West (CPT)	388,401	884,705	
Seawall (CPT)	215,528	490,931	
Magnuson Bldg 30	141,000	555,859	
B&O IT	176,872	1,716,477	
Financial IT Upgrades	136,408	1,323,792	
Data Center	91,252	251,756	
<b>2013 Bond Issue Total</b>	<b>2,665,972</b>	<b>8,677,844</b>	
<b>2014 Bond Issue</b>			
Bridge Rehab (BTG)			42,952
Bridge Seismic (BTG)			87,539
Fire Facilities			300,696
North Precinct			477,984
South Park Bridge			173,813
Linden (BTG)			43,453
Financial IT Upgrades			163,106
ROW for Waterfront			173,813
Data Center			1,024,277
IT-Electronic Records			69,525
IT-Computing Architecture			23,175
IT-Enterprise			50,290
<b>2014 Bond Issue Total</b>			<b>2,630,623</b>
<b>Grand Total</b>	<b>90,881,152</b>	<b>96,898,970</b>	<b>99,731,790</b>

**Table 6 – Limited Tax General Obligation Bonds Debt Service by Funding Source (1,000s)**

	2012	2013	2014
<b>Bond Interest &amp; Redemption Fund - LTGO</b>			
<b>2009 Bond Issue</b>			
Market 96 Refunding	469,900	461,500	466,000
<b>2010A BAB Issue</b>			
Alaskan Way Tunnel / Seawall	122,765	122,765	122,765
Bridge Rehab (BTG)	423,456	423,456	423,456

## Debt Service

	2012	2013	2014
Bridge Seismic (BTG)	168,983	168,983	168,983
Fire Station Projects	62,273	62,273	62,273
Golf	7,726	7,726	7,726
King Street Station (BTG)	7,352	7,352	7,352
Mercer (BTG)	43,016	43,016	43,016
Mercer West (BTG)	125,107	125,107	125,107
Spokane (BTG)	94,335	94,335	94,335
<b>Bond Interest &amp; Redemption Fund - LTGO Total</b>	<b>1,524,914</b>	<b>1,516,514</b>	<b>1,521,014</b>

### Cumulative Reserve Subfund - REET I

<b>1998 Bond Issue</b>			
Housing	842,601		
Parks	344,161		
<b>2002 Bond Issue</b>			
Westbridge	322,050		
<b>2003 Bond Issue</b>			
Roof/Structural Replacement & Repair	784,000	780,000	
<b>2007 Bond Issue</b>			
Northgate Land Acquisition	240,750	240,250	239,500
<b>2008 Bond Issue</b>			
Fire Station Projects	5,016,250	5,013,750	
<b>2010A BAB Issue</b>			
Fire Station Projects	115,651	115,651	115,651
<b>2010B Bond Issue</b>			
Fire Station Projects	457,800	459,000	456,000
Westbridge	250,400	560,400	563,900
<b>2011 Bond Issue</b>			
Seattle Center House	381,000	384,000	384,000
<b>2013 Bond Issue</b>			
Fire Facilities		442,388	1,007,676
<b>2014 Bond Issue</b>			
Fire Facilities			300,696
<b>Cumulative Reserve Subfund - REET I Total</b>	<b>8,754,663</b>	<b>7,995,439</b>	<b>3,067,423</b>

### Cumulative Reserve Subfund - REET II

<b>2005 Bond Issue</b>			
Alaskan Way Tunnel / Seawall	303,109	231,500	231,500
Aquarium Pier 59	1,218,094	931,750	931,500
Fremont Bridge Approaches	88,484	69,500	71,500
<b>2006 Bond Issue</b>			
Alaskan Way Viaduct	392,676	392,176	395,476

## Debt Service

	2012	2013	2014
Aquarium Pier 59	138,303	139,428	140,090
Mercer Corridor Design	466,375		
<b>2007 Bond Issue</b>			
Alaskan Way Tunnel / Seawall	185,000	491,000	486,750
<b>2012 Bond Issue</b>			
Alaskan Way Tunnel / Seawall	60,002	136,750	136,750
Aquarium Pier 59	229,950	547,000	547,000
Fremont Bridge Approaches	16,842	40,500	40,500
<b>Cumulative Reserve Subfund - REET II Total</b>	<b>3,098,835</b>	<b>2,979,604</b>	<b>2,981,066</b>

### Cumulative Reserve Subfund - Unrestricted

<b>2002 Bond Issue</b>			
Westbridge	80,000		
<b>2005 Bond Issue</b>			
Aquarium Pier 59 Entry	144,078	110,000	110,250
<b>2007 Bond Issue</b>			
Aquarium	836,250	1,080,000	1,380,000
Monorail	549,500	549,000	547,500
<b>2010B Bond Issue</b>			
Westbridge		80,000	55,000
<b>2012 Bond Issue</b>			
Aquarium Pier 59 Entry	29,235	65,750	65,750
<b>Cumulative Reserve Subfund - Unrestricted Total</b>	<b>1,639,064</b>	<b>1,884,750</b>	<b>2,158,500</b>

### Downtown Garage Fund

<b>1998 E Bond Issue</b>			
Downtown Parking Garage	2,470,000	2,640,000	1,555,000
<b>2007 Bond Issue</b>			
Downtown Parking Garage	2,881,500	2,881,500	4,041,500
<b>Downtown Garage Fund Total</b>	<b>5,351,500</b>	<b>5,521,500</b>	<b>5,596,500</b>

### Fleets & Facilities Fund

<b>1998 Bond Issue</b>			
Historic Buildings	200,363		
Seismic - DH Fire	15,532		
Seismic Fire	25,568		
<b>2002 Bond Issue</b>			
City Hall	752,623		
Civic Center Open Space	247,338		
Historic Buildings	1,594,325		

## Debt Service

	2012	2013	2014
Justice Center	752,623		
Seattle Municipal Tower TI	368,375		
<b>2003 Bond Issue</b>			
SMT Base	124,747	98,800	
<b>2004 Bond Issue</b>			
Park 90/5 Police Support Acquisition	187,112	187,657	187,936
Seattle Municipal Tower Acquisition	6,330,692	6,323,488	6,328,673
<b>2005 Bond Issue</b>			
City Hall	874,263	875,013	874,763
Civic Center Open Space	779,250	783,000	780,250
Justice Center	2,224,794	2,225,794	2,234,294
SeaPark	438,250	438,500	443,000
<b>2006 Bond Issue</b>			
Park 90/5 Earthquake Repair	233,789	233,652	233,778
<b>2008 Bond Issue</b>			
Seattle Municipal Tower & Police Support	2,395,799	2,395,799	2,395,799
<b>2010B Bond Issue</b>			
City Hall	2,760,813	3,268,413	3,287,913
Civic Center Open Space	139,800	379,800	382,800
Justice Center	2,754,788	3,272,588	3,281,838
Seattle Municipal Tower TI	310,550	658,750	652,500
Park 90/5 - 2001	81,301	80,333	79,893
<b>2012 Bond Issue</b>			
City Hall	154,404	374,200	374,200
Historic Buildings	91,598	1,614,050	1,620,050
Justice Center	154,404	374,200	374,200
SMT Base	20,006	51,350	141,350
<b>2013 Bond Issue</b>			
Financial IT Upgrades		136,408	1,323,792
<b>2014 Bond Issue</b>			
Financial IT Upgrades			163,106
<b>Fleets &amp; Facilities Fund Total</b>	<b>24,013,105</b>	<b>23,771,794</b>	<b>25,160,133</b>

### General Fund

#### 2002 Bond Issue

McCaw Hall	657,813
Southwest Precinct	131,563
University Way (Long)	257,863
West Seattle Swing Bridge	257,863

#### 2003 Bond Issue

Joint Training Facility	123,547	93,600
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## Debt Service

	2012	2013	2014
<b>2004 Bond Issue</b>			
Concert Hall	1,772,974	1,770,949	1,771,498
Park 90/5 Police Support Acquisition	578,346	580,032	580,893
<b>2005 Bond Issue</b>			
Convention Center	575,750	579,250	571,500
Sandpoint	731,000	733,750	730,000
South Precinct	325,000	324,000	327,500
West Precinct	1,301,250	1,302,750	1,306,500
<b>2006 Bond Issue</b>			
Ninth & Lenora	279,025	335,900	339,075
Park 90/5 Earthquake Repair	727,034	726,608	727,000
SLU Streetcar	137,251	137,626	137,501
<b>2007 Bond Issue</b>			
Zoo Garage		151,828	151,470
<b>2008 Bond Issue</b>			
Park 90/5 Police Support Acquisition	303,124	303,124	303,124
South Lake Union Projects	370,500	369,500	372,750
<b>2009 Bond Issue</b>			
Jail	95,250	95,063	94,656
North Precinct	94,100	92,750	96,125
Northgate Land Acquisition	474,000	469,875	469,375
Northgate Park	206,766	206,483	207,218
Rainier Beach Community Center	515,100	518,625	519,375
Rainier Beach Community Center (reallocated from NG)	285,534	285,143	286,158
<b>2010B Bond Issue</b>			
Ballard Neighborhood Center	364,100	364,900	362,900
McCaw Hall	172,500	797,500	796,250
Police Training Facilities	213,450	213,050	211,050
Southwest Precinct	707,950	841,950	834,450
Training Facilities	383,860	386,920	382,670
Park 90/5 - 2001	251,294	248,302	246,942
<b>2011 Bond Issue</b>			
Rainier Beach Community Center	321,844	323,069	322,694
Facility Energy Retrofits-CTR	59,600	58,500	57,000
Facility Energy Retrofits-DPR	53,450	52,488	56,050
Facility Energy Retrofits-FAS	76,725	80,288	78,225
<b>2012 Bond Issue</b>			
Joint Training Facility	14,423	49,450	129,450
Rainier Beach Community Center	76,504	447,300	446,750
<b>2013 Bond Issue</b>			
Rainier Beach Community Center		229,433	522,604

## Debt Service

	2012	2013	2014
South Park Bridge		347,625	791,824
B&O IT		176,872	1,716,477
<b>2014 Bond Issue</b>			
North Precinct			477,984
South Park Bridge			173,813
ROW for Waterfront			173,813
<b>General Fund Total</b>	<b>12,896,351</b>	<b>13,694,500</b>	<b>16,772,663</b>

### Information Technology Fund

<b>2009 Bond Issue</b>			
IT Servers and Storage	943,500		
IT Software Migration and Mgt.	1,699,700	1,701,500	
<b>2010B Bond Issue</b>			
Interactive Voice Response	167,508	166,320	
Tier 1 SAN & Enterprise Comp.	340,092	337,680	
<b>2013 Bond Issue</b>			
Data Center		91,252	251,756
<b>2014 Bond Issue</b>			
Data Center			1,024,277
IT-Electronic Records			69,525
IT-Computing Architecture			23,175
IT-Enterprise			50,290
<b>Information Technology Fund Total</b>	<b>3,150,800</b>	<b>2,296,752</b>	<b>1,419,023</b>

### Library Fund

<b>2005 Bond Issue</b>			
Library Garage	349,141	266,250	264,750
<b>2012 Bond Issue</b>			
Library Garage	65,471	155,500	155,500
Library IT	8,663	154,700	155,950
<b>Library Fund Total</b>	<b>423,274</b>	<b>576,450</b>	<b>576,200</b>

### LTGO Bond Fund - 2006

<b>2006 Bond Issue</b>			
Ninth & Lenora	57,000		
<b>LTGO Bond Fund - 2006 Total</b>	<b>57,000</b>		

### LTGO Bond Fund - 2007

<b>2007 Bond Issue</b>			
Alaskan Way Tunnel / Seawall	304,250		

## Debt Service

	2012	2013	2014
Parking Pay Stations	194,750		
Zoo Garage	151,443		
<b>LTGO Bond Fund - 2007 Total</b>	<b>650,443</b>		
<b>Parks &amp; Recreation Fund</b>			
<b>2002 Bond Issue</b>			
Westbridge	40,000		
<b>2010A BAB Issue</b>			
Golf	14,349	14,349	14,349
<b>2010B Bond Issue</b>			
Golf	53,850	57,250	55,000
Interbay Golf Facilities	388,200	388,400	390,650
Westbridge		40,000	65,000
<b>2011 Bond Issue</b>			
Golf	158,475	161,350	163,225
<b>2012 Bond Issue</b>			
Golf	48,927	287,750	289,150
Magnuson Bldg 30	39,171	314,300	313,900
<b>2013 Bond Issue</b>			
Golf		256,229	583,641
Magnuson Bldg 30		141,000	555,859
<b>Parks &amp; Recreation Fund Total</b>	<b>742,972</b>	<b>1,660,628</b>	<b>2,430,774</b>
<b>Pike Place Market Renovation Fund</b>			
<b>2009 Bond Issue</b>			
Pike Place Market	2,502,900	2,505,375	2,506,125
<b>2010B Bond Issue</b>			
Pike Place Market	1,221,350	1,223,750	1,223,250
<b>2011 Bond Issue</b>			
Pike Place Market	377,500	5,226,125	5,222,375
<b>Pike Place Market Renovation Fund Total</b>	<b>4,101,750</b>	<b>8,955,250</b>	<b>8,951,750</b>
<b>Seattle Center Fund</b>			
<b>2002 Bond Issue</b>			
Seattle Center Kitchen	94,725		
<b>2003 Bond Issue</b>			
McCaw Hall (long)	111,297	88,400	
<b>2012 Bond Issue</b>			
McCaw Hall (long)	13,548	46,450	126,450
<b>Seattle Center Fund Total</b>	<b>219,570</b>	<b>134,850</b>	<b>126,450</b>

## Debt Service

	2012	2013	2014
<b>SPU Drainage &amp; Wastewater Fund</b>			
<b>2003 Bond Issue</b>			
Joint Training Facility	6,398	6,240	
<b>2004 Bond Issue</b>			
Park 90/5 Police Support Acquisition	25,515	25,590	25,628
<b>2006 Bond Issue</b>			
Park 90/5 Earthquake Repair	31,681	31,663	31,680
<b>2008 Bond Issue</b>			
Seattle Municipal Tower & Police Support	13,373	13,373	13,373
<b>2010B Bond Issue</b>			
Training Facilities	20,322	20,484	20,259
Park 90/5 - 2001	11,087	10,955	10,895
<b>2012 Bond Issue</b>			
Joint Training Facility	805	2,760	6,760
<b>SPU Drainage &amp; Wastewater Fund Total</b>	<b>109,181</b>	<b>111,064</b>	<b>108,594</b>
<b>SPU Solid Waste Fund</b>			
<b>2003 Bond Issue</b>			
Joint Training Facility	3,519	3,432	
<b>2004 Bond Issue</b>			
Park 90/5 Police Support Acquisition	14,033	14,074	14,095
<b>2006 Bond Issue</b>			
Park 90/5 Earthquake Repair	17,425	17,415	17,424
<b>2008 Bond Issue</b>			
Seattle Municipal Tower & Police Support	7,355	7,355	7,355
<b>2010B Bond Issue</b>			
Training Facilities	11,177	11,266	11,142
Park 90/5 - 2001	6,098	6,025	5,992
<b>2012 Bond Issue</b>			
Joint Training Facility	458	1,570	4,570
<b>SPU Solid Waste Fund Total</b>	<b>60,065</b>	<b>61,138</b>	<b>60,578</b>
<b>SPU Water Fund</b>			
<b>2003 Bond Issue</b>			
Joint Training Facility	11,409	11,128	
<b>2004 Bond Issue</b>			
Park 90/5 Police Support Acquisition	45,502	45,635	45,703
<b>2006 Bond Issue</b>			
Park 90/5 Earthquake Repair	56,499	56,466	56,497
<b>2008 Bond Issue</b>			
Seattle Municipal Tower & Police Support	23,849	23,849	23,849

## Debt Service

	2012	2013	2014
<b>2010B Bond Issue</b>			
Training Facilities	36,241	36,530	36,129
Park 90/5 - 2001	19,771	19,536	19,429
<b>2012 Bond Issue</b>			
Joint Training Facility	1,464	5,020	13,020
<b>SPU Water Fund Total</b>	<b>194,735</b>	<b>198,163</b>	<b>194,625</b>
<b>Transportation Fund</b>			
<b>2003 Bond Issue</b>			
SR 519	179,556	140,400	
<b>2007 Bond Issue</b>			
Mercer (from Zoo bonds)	1,225,308	1,228,423	1,225,530
Parking Pay Stations	561,250		
<b>2008 Bond Issue</b>			
Bridge Rehab (BTG)	306,250	304,500	302,500
Bridge Seismic (BTG)	117,750	120,250	122,500
King Street Station (BTG)	252,000	251,500	250,750
Lander (BTG)	246,000	214,750	234,750
Mercer (BTG)	3,782,750	3,326,250	3,632,750
Parking Pay Stations	479,500	477,750	
Spokane (BTG)	805,500	710,000	773,250
<b>2009 Bond Issue</b>			
Alaskan Way Tunnel / Seawall	203,050	201,625	204,125
Arterial Asphalt and Concrete	3,216,550	4,137,250	6,580,875
Bridge Rehab (BTG)	1,064,900	1,069,250	1,065,250
King Street Station (BTG)	132,950	130,250	132,125
Spokane (BTG)	2,159,700	2,155,500	2,156,750
Spokane (BTG) (Redirected from Jail)	285,750	285,188	283,969
Trails	1,074,150	1,025,625	504,500
<b>2010A BAB Issue</b>			
Alaskan Way Tunnel / Seawall	227,992	227,992	227,992
Bridge Rehab (BTG)	786,419	786,419	786,419
Bridge Seismic (BTG)	313,825	313,825	313,825
King Street Station (BTG)	13,655	13,655	13,655
Mercer (BTG)	79,887	79,887	79,887
Mercer West (BTG)	232,341	232,341	232,341
Spokane (BTG)	175,194	175,194	175,194
<b>2010B Bond Issue</b>			
Alaskan Way Tunnel / Seawall	483,600	479,000	480,250
Bridge Rehab (BTG)	167,250	167,250	167,250
Bridge Seismic (BTG)	67,000	67,000	67,000
King Street Station (BTG)	3,000	3,000	3,000

## Debt Service

	2012	2013	2014
Mercer (BTG)	17,250	17,250	17,250
Mercer West (BTG)	49,500	49,500	49,500
Parking Pay Stations	415,800	417,000	419,000
Spokane (BTG)	37,500	37,500	37,500
<b>2011 Bond Issue</b>			
Bridge Rehab (BTG)	732,969	729,381	732,194
Bridge Seismic (BTG)	140,369	138,719	141,344
King Street Station (BTG)	286,544	288,181	288,369
Spokane (BTG)	1,613,750	1,614,800	1,612,925
AWV - Parking/Prgm Mgt (CPT)	281,300	281,150	278,900
Mercer West (CPT)	581,244	579,444	579,819
Seawall (CPT)	889,550	889,113	889,300
<b>2012 Bond Issue</b>			
AWV - Parking/Prgm Mgt	34,796	324,300	323,150
Mercer (BTG)	56,933	335,200	331,000
SR 519	21,379	73,300	193,300
Seawall (CPT)	31,879	189,300	186,900
Linden (BTG)	59,092	407,600	411,450
<b>2013 Bond Issue</b>			
Bridge Seismic (BTG)		240,836	548,579
Mercer West (CPT)		388,401	884,705
Seawall (CPT)		215,528	490,931
<b>2014 Bond Issue</b>			
Bridge Rehab (BTG)			42,952
Bridge Seismic (BTG)			87,539
Linden (BTG)			43,453
<b>Transportation Fund Total</b>	<b>23,892,931</b>	<b>25,540,576</b>	<b>28,606,496</b>
<b>Grand Total</b>	<b>90,881,152</b>	<b>96,898,970</b>	<b>99,731,790</b>

**Table 7 – Unlimited Tax General Obligation Bonds Debt Service (\$1,000s)**

	2012	2013	2014
1998 A UTGO Bond Issue	1,600,163	952,044	282,906
2002 UTGO Bond Issue	5,038,800		
2007 UTGO Bond Issue	8,105,325	8,082,350	8,064,388
2012 UTGO Bond Issue	1,735,669	6,453,000	6,452,050
<b>Grand Total</b>	<b>16,479,956</b>	<b>15,487,394</b>	<b>14,799,344</b>

## Debt Service

### Expenditure Overview

Appropriations	Summit Code	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Bond Interest & Redemption Budget Control Level	DEBTBIRF	0	1,524,914	1,516,514	1,521,014
Debt Issuance Costs Budget Control Level	DEBTISSUE	0	1,515,302	2,470,677	2,403,303
<b>UTGO Debt Service Budget Control</b>					
UTGO Bond Interest and Redemption		0	17,025,160	15,487,394	14,799,344
<b>Total</b>	<b>DEBTUTGO</b>	<b>0</b>	<b>17,025,160</b>	<b>15,487,394</b>	<b>14,799,344</b>
<b>Department Total</b>		<b>0</b>	<b>20,065,376</b>	<b>19,474,585</b>	<b>18,723,661</b>
<b>Department Full-time Equivalents Total*</b>		<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

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

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

#### Bond Interest and Redemption Budget Control Level

The purpose of the Bond Interest and Redemption Budget Control Level is to create legal appropriation authority for certain debt service payments to be made through the Bond Interest and Redemption Fund (BIRF).

Program Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Bond Interest and Redemption	0	1,524,914	1,516,514	1,521,014
<b>Total</b>	<b>0</b>	<b>1,524,914</b>	<b>1,516,514</b>	<b>1,521,014</b>

#### Debt Issuance Costs Budget Control Level

The purpose of the Debt Issuance Costs Budget Control Level is to create the appropriation authority to pay debt issuance costs related to the 2013 Multipurpose Limited Tax General Obligation (LTGO) Debt Issuance.

Program Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Debt Issuance Costs	0	1,515,302	2,470,677	2,403,303
<b>Total</b>	<b>0</b>	<b>1,515,302</b>	<b>2,470,677</b>	<b>2,403,303</b>

#### UTGO Debt Service Budget Control Level

The purpose of the UTGO Debt Service Budget Control Level is to create the legal appropriations to pay debt service on outstanding Unlimited Tax General Obligation (UTGO) Bonds.

Program Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
UTGO Bond Interest and Redemption	0	17,025,160	15,487,394	14,799,344
<b>Total</b>	<b>0</b>	<b>17,025,160</b>	<b>15,487,394</b>	<b>14,799,344</b>

# Fiscal Reserves

Beth Goldberg, Director  
Department Information Line: (206) 615-1962



## Department Overview

The State of Washington permits the City to maintain two financial reserves for general government spending. Under the authority of RCW 35.32A.060, the City maintains a financial reserve called the Emergency Subfund (ESF) of the General Fund. This subfund is the principal reserve for the City and is available to pay for unanticipated expenses that occur during the fiscal year. 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 (aka the Rainy Day Reserve). The purpose of the RSA is to have resources available to maintain City spending in the event of a sudden, unanticipated shortfall in revenue due to economic downturns or other factors. City code limits the amount set aside in this reserve to five percent of General Subfund tax receipts. This reserve is funded annually with an amount equivalent to 0.5% of General Subfund taxes, in addition to 50% of any unplanned fund balance in the General Subfund remaining at the close of the prior fiscal year, with some limited exceptions (Ordinance 123743).

## Budget Overview

The 2013-2014 Proposed Budget protects the City's fiscal reserves and embraces strong and prudent financial management practices. This is a cornerstone principle of developing the 2013-2014 Proposed Budget, and critically important to ensure the City is financially well-prepared to address emerging issues. In the context of a sluggish economic recovery, fully-funding reserves becomes even more important as it is uncertain when the next downturn might occur.

### Fully Funding the Emergency Subfund

The 2013-2014 Proposed Budget fully funds the Emergency Subfund at the maximum statutory-authorized level of 37.5 cents per \$1,000 of assessed value of property in the city. For 2013, the fund will total \$43.4 million, a drop of \$565,000 from 2012 levels. This decline is due to a projected decline in assessed values relative to 2012, which in turn lowers the maximum amount that the City can hold in reserve. Current projections anticipate that assessed value will begin to increase in 2014, allowing the City to increase its

## Fiscal Reserves

contributions to meet the statutory cap. The 2013-2014 Proposed Budget funds the reserve to that maximum level in 2014, an increase of \$890,000 to \$44.2 million.

### Success of Rainy Day Funding Enhancements

Significant RSA funding enhancements were proposed by the Mayor and adopted by the City Council in 2011. These recommendations arose from concern that the previous policies did not provide the City with sufficient mechanisms to ensure that the RSA would be replenished prior to the next downturn in revenues. Those previous policies funded the RSA when actual revenues exceeded the most recent forecast for the closed fiscal year and were successful in building up the RSA to a maximum of \$30 million between 2005 and 2008. Aggressive use of the RSA in 2009 and 2010 in the midst of the Great Recession lowered the size of the account to \$10.5 million. Given no proactive approach to funding the RSA at that time, it was uncertain if the RSA would be built up, or how long it would take to reach target levels.

To ensure that the City has sufficient mechanisms to fund the RSA, the Mayor proposed and the Council adopted a series of changes to funding policies that included a proactive approach to funding the RSA. Two key changes include an annual deposit of 0.5% of General Fund tax revenue directly into the RSA and an automatic sweeping of 50% of any unplanned ending fund balance in the General Fund at the close of the prior fiscal year, whether due to stronger-than-anticipated revenues or lower-than-anticipated expenditures.

These policies, enhancing the City's commitment to prudent fiscal management, led to a doubling of the amount of reserves in the RSA by the end of 2012 relative to levels at the beginning of 2011. The current estimated balance for the RSA at the end of 2012 is \$21.7 million.

### Historic High of Rainy Day Fund Level Achieved

In addition, the proactive nature of these new policies will add an additional \$8.3 million to the RSA over the 2013-2014 biennium, resulting in a return to the peak RSA funding level of \$30 million by the end of 2014, a level last achieved by the City prior to the Great Recession. This significant achievement highlights the City's commitment to adhering to strong and sound financial management policies, despite fiscal pressures on the General Fund resulting from a down economy and emerging issues, as has been the unfortunate circumstance over the last few years.

Additional information regarding the changes to the Rainy Day Fund policies adopted in Ordinance 123743 can be found here: <http://www.seattle.gov/financedepartment/documents/RainyDayFundPresentation-FINAL.pdf>

## Incremental Budget Changes

### Fiscal Reserves

	2013		2014	
	Budget	FTE	Budget	FTE
<b>Proposed Technical Changes</b>				
Adjusting Fund Balance to Legal Limit	\$ 564,535	0.00	\$ 0	0.00
<b>Total Incremental Changes</b>	<b>\$ 564,535</b>	<b>0.00</b>	<b>\$ 0</b>	<b>0.00</b>
<b>2013 - 2014 Proposed Budget</b>	<b>\$ 564,535</b>	<b>0.00</b>	<b>\$ 0</b>	<b>0.00</b>

# Fiscal Reserves

## Description of Incremental Budget Changes

### Proposed Technical Changes

#### Adjusting Fund Balance to Legal Limit - \$564,535

The fund balance level of the Emergency Subfund is legally limited to 37.5 cents per \$1,000 of assessed property value. Due to a projected decline in assessed property valuations in 2013 relative to 2012, the existing fund balance in 2012 exceeds the limit amount for 2013 and needs to be decreased. This change represents the excess fund balance in the Emergency Subfund in 2013, which will be transferred to the General Subfund. For 2014, property valuations are projected to increase and contributions to the Emergency Subfund will be made in order to maintain the fund at the maximum statutory-authorized level. The 2014 contribution from the General Fund to the Emergency Subfund is estimated to be \$890,000.

### Expenditure Overview

Appropriations	Summit Code	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Emergency Expenditures Budget Control Level	AE000	1,382,343	0	564,535	0
<b>Department Total</b>		<b>1,382,343</b>	<b>0</b>	<b>564,535</b>	<b>0</b>
<b>Department Full-time Equivalent Total*</b>		<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

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

### Revenue Overview

#### 2013 Estimated Revenues

Summit Code	Source	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
587001	General Fund Support - RSA	1,500,000	1,950,000	4,058,000	4,226,000
587001	General Fund Support - ESF	80	385,000	0	888,810
	<b>Total General Fund Support</b>	<b>1,500,080</b>	<b>2,335,000</b>	<b>4,058,000</b>	<b>5,114,810</b>
	<b>Total Revenues</b>	<b>1,500,080</b>	<b>2,335,000</b>	<b>4,058,000</b>	<b>5,114,810</b>
379100	Use of / (Contribution to) Fund Balance - RSA	-1,500,000	-1,950,000	-4,058,000	-4,226,000
379100	Use of / (Contribution to) Fund Balance - ESF	1,400,263	-385,000	564,535	-888,810
	<b>Total Fund Balance</b>	<b>-99,737</b>	<b>-2,335,000</b>	<b>-3,493,465</b>	<b>-5,114,810</b>
	<b>Total Resources</b>	<b>1,400,343</b>	<b>0</b>	<b>564,535</b>	<b>0</b>

## Fiscal Reserves

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

<b>Emergency Expenditures Budget Control Level</b>				
The purpose of the Emergency Expenditures Budget Control Level is to provide resources to pay unanticipated expenses as described in state law (RCW 35.32A.060).				
<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Emergency Expenditures Program	1,382,343	0	564,535	0
<b>Total</b>	<b>1,382,343</b>	<b>0</b>	<b>564,535</b>	<b>0</b>

### Fiscal Reserves Fund Table

#### Emergency Subfund (00185)

	<b>2011 Actuals</b>	<b>2012 Adopted</b>	<b>2012 Revised</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
<b>Beginning Fund Balance</b>	<b>45,501,426</b>	<b>43,921,219</b>	<b>44,101,163</b>	<b>44,101,163</b>	<b>43,536,628</b>
Accounting and Technical Adjustments	0	0	0	0	0
Plus: Actual and Estimated Revenues	80	385,000	0	0	888,810
Less: Actual and Budgeted Expenditures	1,382,343	0	0	564,535	0
Less: Capital Improvements	18,000	0	0	0	0
<b>Ending Fund Balance</b>	<b>44,101,163</b>	<b>44,306,219</b>	<b>44,101,163</b>	<b>43,536,628</b>	<b>44,425,438</b>
Continuing Appropriations	178,000		178,000	178,000	178,000
<b>Total Reserves</b>	<b>178,000</b>		<b>178,000</b>	<b>178,000</b>	<b>178,000</b>
<b>Ending Unreserved Fund Balance</b>	<b>43,923,163</b>	<b>44,306,219</b>	<b>43,923,163</b>	<b>43,358,628</b>	<b>44,247,438</b>

#### Cumulative Reserve Subfund, Revenue Stabilization Account (00166)

	<b>2011 Actuals</b>	<b>2012 Adopted</b>	<b>2012 Revised</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
<b>Beginning Fund Balance</b>	<b>10,469,000</b>	<b>11,219,000</b>	<b>11,969,000</b>	<b>21,683,951</b>	<b>25,741,951</b>
Accounting and Technical Adjustments	0	0	0	0	0
Plus: Actual and Estimated Revenues	1,500,000	1,950,000	9,714,951	4,058,000	4,226,000
<b>Ending Fund Balance</b>	<b>11,969,000</b>	<b>13,169,000</b>	<b>21,683,951</b>	<b>25,741,951</b>	<b>29,967,951</b>
<b>Ending Unreserved Fund Balance</b>	<b>11,969,000</b>	<b>13,169,000</b>	<b>21,683,951</b>	<b>25,741,951</b>	<b>29,967,951</b>

# Judgment/Claims



## Department Overview

The Judgment/Claims Subfund provides for the payment of legal claims and suits brought against the City government. The subfund receives appropriations from the General Subfund and the utilities to pay the judgments, settlements, claims, and other eligible expenses expected in the following year. Unused balances, if any, remain in the fund and may reduce the contribution required in succeeding years.

General Fund-supported departments with 2% or more of historical Judgment/Claims costs make premium payments to the subfund directly from their budgets. Finance General covers premiums for departments with less than 2% of historical Judgment/Claims costs. Revenues from the utilities are budgeted based on expected expenses, but they only pay actual expenses as they are incurred.

In an effort to make the Judgment/Claims Subfund more transparent, four new Budget Control Levels (BCLs) are established in 2013. This change will allow for the improved tracking of budget and expenditures in the subfund. There are several different types of expenditures charged to the subfund. The Department of Finance and Administration (FAS) uses the subfund to pay for claims and settlements against the City that can be settled without litigation. The Law Department uses the subfund to pay for claims, settlements, and litigation expenses, including those related to police action cases. The four new BCLs segregate police action expenses, claims and settlement costs (for each FAS and Law), litigation costs, and pre-litigation or special project legal expenses.

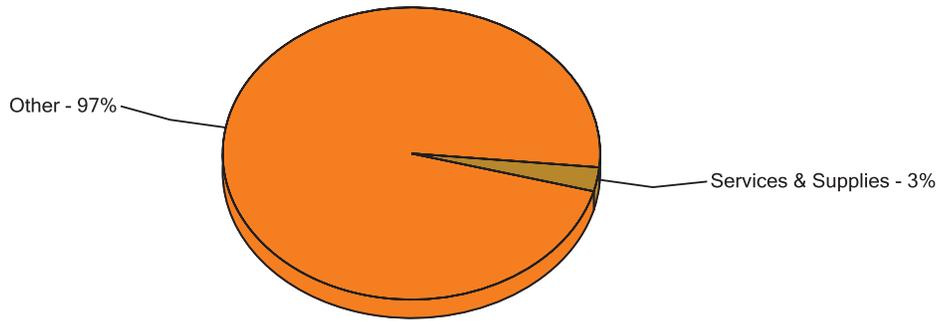
## Budget Snapshot

Department Support	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Other Funding - Operating	\$18,266,541	\$17,829,739	\$15,033,963	\$16,859,178
<b>Total Operations</b>	<b>\$18,266,541</b>	<b>\$17,829,739</b>	<b>\$15,033,963</b>	<b>\$16,859,178</b>
<b>Total Appropriations</b>	<b>\$18,266,541</b>	<b>\$17,829,739</b>	<b>\$15,033,963</b>	<b>\$16,859,178</b>
Full-time Equivalent Total*	0.00	0.00	0.00	0.00

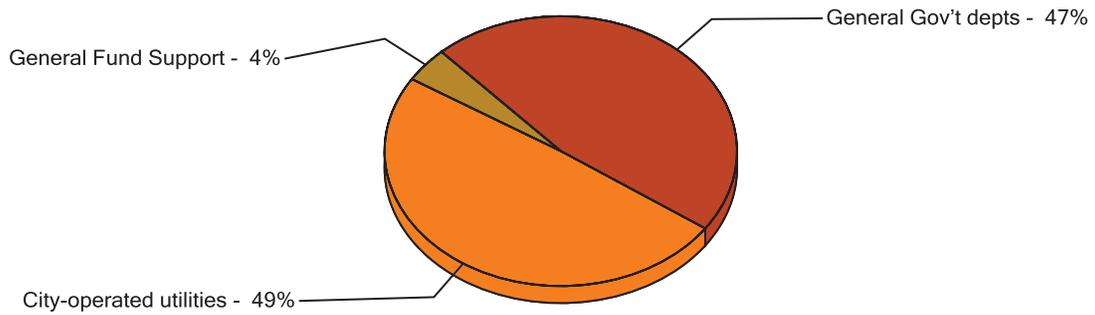
\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Personnel Director actions outside of the budget process may not be detailed here.

## Judgment/Claims

### 2013 Proposed Budget - Expenditure by Category



### 2013 Proposed Budget - Revenue by Category



# Judgment/Claims

## Budget Overview

The 2013-2014 Judgment/Claims Proposed Budget was created by assessing the cases and claims filed against the City, their dollar value, and the likelihood of the City being required to pay out on those claims and cases. Another assessment was done to quantify the City's exposure to claims and cases not yet filed against the City. The Risk Management Division of the Department of Finance and Administrative Services, the City Budget Office, and the Law Department continue to monitor both the City's potential risk liabilities as well as the financial health of the Judgment/Claims Subfund. Since the adoption of the 2012 budget, the City's underlying risk exposure is expected to decrease in 2013. The decrease is attributable to a high number of claims that will be resolved in 2014 rather than in 2013. This is leading to one-time expenditure savings for the Judgment/Claims Subfund in 2013.

In addition to the one-time savings in 2013, the Law Department has been able to decrease the use of outside legal counsel by hiring in-house attorneys to handle police action cases. The Proposed Budget adds an additional position to the Law Department, bringing the total number of police action attorneys to three. The Law Department will also achieve savings by adding an in-house information technology position to perform work that was previously handled by more costly outside vendors and charged to the Judgment/Claims Subfund. Both of these changes will result in savings for the Judgment/Claims Subfund.

## Incremental Budget Changes

### Judgment/Claims

	2013		2014	
	Budget	FTE	Budget	FTE
<b>Total 2012 Adopted Budget</b>	<b>\$ 17,829,739</b>	<b>0.00</b>	<b>\$ 17,829,739</b>	<b>0.00</b>
<b>Baseline Changes</b>				
Citywide Adjustments for Standard Cost Changes	-\$ 90,088	0.00	\$ 443,274	0.00
<b>Proposed Policy Changes</b>				
Reduce Outside Attorney Costs for Police Action Cases	-\$ 953,455	0.00	-\$ 1,156,059	0.00
Technology Staffing	-\$ 85,600	0.00	-\$ 85,600	0.00
Adjust Funding to Reflect Lower Lawsuit Exposures in 2013	-\$ 1,500,000	0.00	\$ 0	0.00
Shift Funds from Judgment and Claims to Law	-\$ 166,633	0.00	-\$ 172,176	0.00
<b>Total Incremental Changes</b>	<b>-\$ 2,795,776</b>	<b>0.00</b>	<b>-\$ 970,561</b>	<b>0.00</b>
<b>2013 - 2014 Proposed Budget</b>	<b>\$ 15,033,963</b>	<b>0.00</b>	<b>\$ 16,859,178</b>	<b>0.00</b>

# Judgment/Claims

## Description of Incremental Budget Changes

### Baseline Changes

#### **Citywide Adjustments for Standard Cost Changes - (\$90,088)**

Citywide technical adjustments made in the "Baseline Phase" reflect changes due to inflation, central cost allocations, retirement, health care, workers' compensation, and employment costs. These adjustments reflect initial assumptions about these costs and inflators early in the budget process.

### Proposed Policy Changes

#### **Reduce Outside Attorney Costs for Police Action Cases - (\$953,455)**

Beginning in 2011, the Law Department began handling police action cases with in-house attorneys. Prior to this, police action cases were handled primarily using private attorneys, with the costs charged to the Judgment/Claims Subfund. As a result of this change in practice, costs to the Judgment/Claims subfund began decreasing in 2012. This change captures the anticipated savings. A portion of the savings is offset by the cost of adding additional resources to the Law Department to handle even more of these cases with in-house resources.

#### **Technology Staffing - (\$85,600)**

The Law Department has experienced an increase in electronic records requests related to public records and litigation. The Department has utilized outside vendors to handle some of this litigation work, averaging more than \$85,600 per year in costs to the Judgment/Claims Subfund. Adding \$62,734 and a 0.5 FTE Information Technology System Analyst position to the Law Department allows them to bring this work in-house, reducing the need for outside vendors. The Judgment/Claims Subfund is reduced by \$85,600, providing a savings of \$22,866.

#### **Adjust Funding to Reflect Lower Lawsuit Exposures in 2013 - (\$1,500,000)**

The City's Risk Management Division estimates that pending lawsuits and likely resolve dates allow for a reduction in the Law Department's judgment and claims expenses in 2013. The savings applies to 2013 only due to the extent of the lawsuit exposures that may become due in 2014.

#### **Shift Funds from Judgment and Claims to Law - (\$166,633)**

Costs of a Law Department attorney have been routinely charged to the Judgment/Claims Subfund. The litigation work handled by this attorney generally involves General Fund issues. To better align the position and funding source, the Proposed Budget shifts funding for this position from Judgment/Claims to the Law Department.

## Judgment/Claims

### Expenditure Overview

Appropriations	Summit Code	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Claim Expenses Budget Control Level	00126-CJ000	0	0	3,750,000	3,862,500
General Legal Expenses Budget Control Level	00126-JR010	0	0	100,000	103,000
Judgment Claims - General Budget Control Level	CJ000	18,266,541	17,829,739	0	0
Litigation Expenses Budget Control Level	00126-JR000	0	0	9,745,897	11,586,470
Police Action Expenses Budget Control Level	00126-JR020	0	0	1,438,066	1,307,208
<b>Department Total</b>		<b>18,266,541</b>	<b>17,829,739</b>	<b>15,033,963</b>	<b>16,859,178</b>
<b>Department Full-time Equivalent Total*</b>		<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

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

### Revenue Overview

#### 2013 Estimated Revenues

Summit Code	Source	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
544730	Payments from City-operated utilities	3,936,154	7,000,000	7,582,488	7,809,963
	<b>Total City-operated utilities</b>	<b>3,936,154</b>	<b>7,000,000</b>	<b>7,582,488</b>	<b>7,809,963</b>
544730	Payments from General Government departments	9,191,677	9,191,677	7,169,098	8,348,198
	<b>Total General Gov't depts</b>	<b>9,191,677</b>	<b>9,191,677</b>	<b>7,169,098</b>	<b>8,348,198</b>
587001	General Subfund Support	1,191,062	1,191,062	648,080	758,323
	<b>Total General Subfund Support</b>	<b>1,191,062</b>	<b>1,191,062</b>	<b>648,080</b>	<b>758,323</b>
	<b>Total Revenues</b>	<b>14,318,893</b>	<b>17,382,739</b>	<b>15,399,666</b>	<b>16,916,484</b>
379100	Use of Fund Balance	3,947,648	447,000	-365,703	-57,306
	<b>Total Use of (Contribution to) Fund Balance</b>	<b>3,947,648</b>	<b>447,000</b>	<b>-365,703</b>	<b>-57,306</b>
	<b>Total Resources</b>	<b>18,266,541</b>	<b>17,829,739</b>	<b>15,033,963</b>	<b>16,859,178</b>

## Judgment/Claims

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

#### Claim Expenses Budget Control Level

The purpose of the Claim Expenses Budget Control Level is to provide the Director of the Department of Finance and Administrative Services with the resources to pay pending or actual claims and related costs against City government, as authorized by Chapter 5.24 of the Seattle Municipal Code. The Claims Budget Control Level is supported by the Judgment/Claims Subfund of the General Fund.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Claim Expenses	0	0	3,750,000	3,862,500
<b>Total</b>	<b>0</b>	<b>0</b>	<b>3,750,000</b>	<b>3,862,500</b>

#### General Legal Expenses Budget Control Level

The purpose of the General Legal Expenses Budget Control Level is to provide the City Attorney with resources to pay legal costs associated with potential litigation against the City, where the City is a plaintiff or potential plaintiff in legal action, or other special projects. The General Legal Expenses Budget Control Level is supported by the Judgment/Claims Subfund of the General Fund.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
General Litigation	0	0	100,000	103,000
<b>Total</b>	<b>0</b>	<b>0</b>	<b>100,000</b>	<b>103,000</b>

#### Judgment Claims - General Budget Control Level

The purpose of the Judgment Claims - General Budget Control Level is to provide for the payment of legal claims and suits brought against the City government. The subfund receives appropriations from the General Subfund and the utilities to pay for the judgments, settlements, claims, and other eligible expenses expected in the following year. Unused balances, if any, may reduce the contributions required in succeeding years.

General Fund-supported departments with 2% or more of historical Judgment/Claims costs make premium payments to the subfund directly from their budgets. Finance General covers premiums for departments with less than 2% of historical Judgment/Claims costs. Utilities pay their actual expenses as incurred through this budget control level.

This BCL is eliminated in 2013. Four new BCLs are created to increase transparency and allow for improved financial management of the Judgment/Claims Subfund.

<b>Program Expenditures</b>	<b>2011 Actual</b>	<b>2012 Adopted</b>	<b>2013 Proposed</b>	<b>2014 Proposed</b>
Judgment/Claims - General Program	18,266,541	17,829,739	0	0
<b>Total</b>	<b>18,266,541</b>	<b>17,829,739</b>	<b>0</b>	<b>0</b>

## Judgment/Claims

### Litigation Expenses Budget Control Level

The purpose of the Litigation Expenses Budget Control Level is to provide the City Attorney with the resources to pay anticipated, pending or actual judgments, claims payments, advance claims payments, and litigation expenses incurred while defending the City from judgments and claims. The Litigation Expenses Budget Control Level is supported by the Judgment/Claims Subfund of the General Fund.

Program Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Settlement and Judgement Expenses	0	0	9,745,897	11,586,470
<b>Total</b>	<b>0</b>	<b>0</b>	<b>9,745,897</b>	<b>11,586,470</b>

### Police Action Expenses Budget Control Level

The purpose of the Police Action Expenses Budget Control Level is to provide the City Attorney with the resources to pay pending or actual settlements and judgments against the City related to police action cases, or pay related costs to investigate and defend the City against claims and judgments related to police action cases. The Police Action Expenses Budget Control Level is supported by the Judgment/Claims Subfund of the General Fund.

Program Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Police Action Expenses	0	0	1,438,066	1,307,208
<b>Total</b>	<b>0</b>	<b>0</b>	<b>1,438,066</b>	<b>1,307,208</b>

## Judgment/Claims Fund Table

### Judgment/Claims Subfund (00126)

	2011 Actuals	2012 Adopted	2012 Revised	2013 Proposed	2014 Proposed
<b>Beginning Fund Balance</b>	<b>16,355,000</b>	<b>8,086,588</b>	<b>12,407,352</b>	<b>12,531,191</b>	<b>12,896,894</b>
Accounting and Technical Adjustments	0	0	0	0	0
Plus: Actual and Estimated Revenues	14,318,893	17,382,739	17,382,739	15,399,666	16,916,484
Less: Actual and Budgeted Expenditures	18,266,541	17,829,739	17,258,900	15,033,963	16,859,178
<b>Ending Fund Balance</b>	<b>12,407,352</b>	<b>7,639,588</b>	<b>12,531,191</b>	<b>12,896,894</b>	<b>12,954,200</b>

### Total Reserves

<b>Ending Unreserved Fund Balance</b>	<b>12,407,352</b>	<b>7,639,588</b>	<b>12,531,191</b>	<b>12,896,894</b>	<b>12,954,200</b>
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# Parking Garage Operations Fund



## Department Overview

The Parking Garage Operations Fund receives the revenues and pays the operating and debt service costs for the Pacific Place Garage, which is located between Sixth and Seventh Avenues and Pike and Olive Streets in downtown Seattle. The City took over responsibility for the Garage in November 1998.

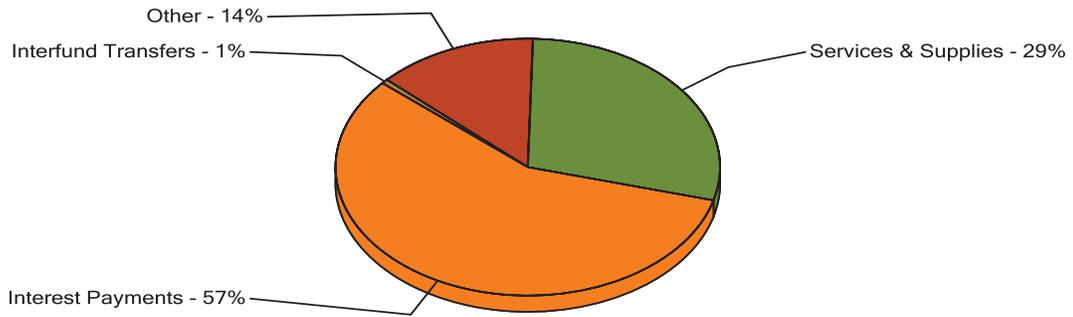
## Budget Snapshot

Department Support	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Other Funding - Operating	\$7,840,322	\$8,092,861	\$9,359,058	\$8,687,760
<b>Total Operations</b>	<b>\$7,840,322</b>	<b>\$8,092,861</b>	<b>\$9,359,058</b>	<b>\$8,687,760</b>
<b>Total Appropriations</b>	<b>\$7,840,322</b>	<b>\$8,092,861</b>	<b>\$9,359,058</b>	<b>\$8,687,760</b>
Full-time Equivalent Total*	0.00	0.00	0.00	0.00

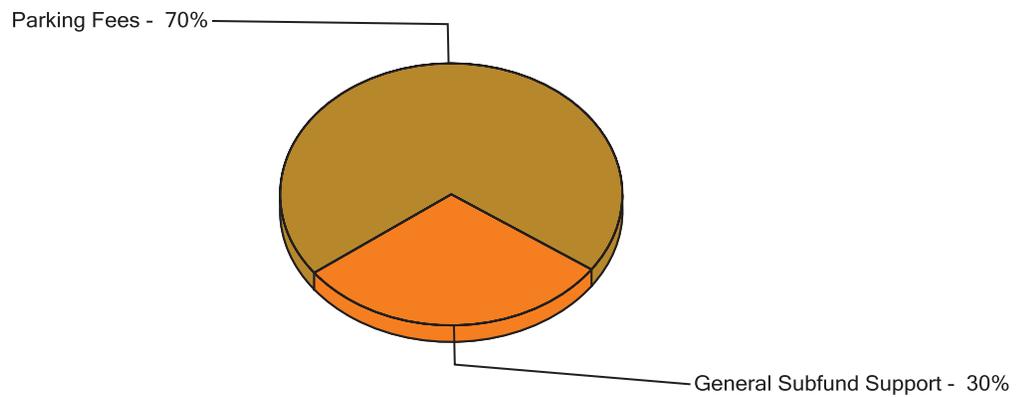
\* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Personnel Director actions outside of the budget process may not be detailed here.

## Parking Garage Operations Fund

### 2013 Proposed Budget - Expenditure by Category



### 2013 Proposed Budget - Revenue by Category



# Parking Garage Operations Fund

## Budget Overview

Until 2009, the Pacific Place Garage generated revenue sufficient to pay all of its expenses, including operating costs, equipment purchases, taxes, and debt service. However, due in part to poor economic conditions, reduced downtown retail sales activity and escalating debt service payments, the Pacific Place Garage is currently running a cash deficit. Although the City has tried various pricing scenarios and ultimately raised rates in spring 2012, these changes have not provided sufficient revenues to pay all operating expenses.

The Pacific Place Garage fund faces additional drivers in 2013 and 2014 that puts further financial pressure on the fund. Capital repairs to the garage must be made in 2013 and 2014, including replacing the revenue control equipment. FAS will also hire a full time parking manager to provide intensive management oversight to the Pacific Place Garage.

Current projections indicate that the Pacific Place Garage will continue to generate insufficient revenues to cover all annual expenses. The Garage Fund is not in a position to sustain additional operating losses without mitigation.

Consistent with the City's commitment to conservative financial management practices, the 2013-2014 Proposed Budget allocates an average of \$2.4 million annually from the General Fund in order to cover the annual shortfall in the Garage Fund. Without this injection of funding, the Garage Fund's financial position would continue to decline without a clear path to financial stability.

The General Fund support will prevent a deterioration of the Garage Fund's financial position, but does not provide sufficient funding to repay the currently authorized loan to the Garage Fund from the Consolidated Cash Pool, which is planned to expire at the end of 2012. In order to allow for additional time to develop a full repayment plan, including any needed adjustments to garage operations, the budget proposes to extend the duration of the existing loan to the end of 2014 and increase the maximum loan amount from \$4 million to \$5 million to provide additional flexibility.

## Incremental Budget Changes

### Parking Garage Operations Fund

	2013		2014	
	Budget	FTE	Budget	FTE
<b>Total 2012 Adopted Budget</b>	<b>\$ 8,092,861</b>	<b>0.00</b>	<b>\$ 8,092,861</b>	<b>0.00</b>
<b>Proposed Policy Changes</b>				
Funding for Equipment and Position	\$ 1,242,000	0.00	\$ 455,000	0.00
<b>Proposed Technical Changes</b>				
Technical Adjustments	\$ 24,197	0.00	\$ 139,899	0.00
<b>Total Incremental Changes</b>	<b>\$ 1,266,197</b>	<b>0.00</b>	<b>\$ 594,899</b>	<b>0.00</b>
<b>2013 - 2014 Proposed Budget</b>	<b>\$ 9,359,058</b>	<b>0.00</b>	<b>\$ 8,687,760</b>	<b>0.00</b>

# Parking Garage Operations Fund

## Description of Incremental Budget Changes

### Proposed Policy Changes

#### Funding for Equipment and Position - \$1,242,000

This proposal adds funding to cover the replacement of the ticket dispensing equipment which is at the end of its useful lifecycle. In addition, funding is added to cover a position that will perform more intensive management oversight to the Pacific Place Garage.

### Proposed Technical Changes

#### Technical Adjustments - \$24,197

This adjustment increases the budget and brings it into alignment with the cost of operating the garage due to inflation and other cost increases.

## Expenditure Overview

Appropriations	Summit Code	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Pacific Place Garage Budget Control Level	46011	7,840,322	8,092,861	9,359,058	8,687,760
<b>Department Total</b>		<b>7,840,322</b>	<b>8,092,861</b>	<b>9,359,058</b>	<b>8,687,760</b>
<b>Department Full-time Equivalents Total*</b>		<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

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

## Revenue Overview

### 2013 Estimated Revenues

Summit Code	Source	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
587001	General Subfund	0	0	2,813,058	2,031,760
	<b>Total General Subfund Support</b>	<b>0</b>	<b>0</b>	<b>2,813,058</b>	<b>2,031,760</b>
462300	Parking Fees	5,930,748	6,246,721	6,540,000	6,650,000
469990	Other Miscellaneous Revenue	6,127	6,000	6,000	6,000
	<b>Total Parking Fees</b>	<b>5,936,875</b>	<b>6,252,721</b>	<b>6,546,000</b>	<b>6,656,000</b>
	<b>Total Revenues</b>	<b>5,936,875</b>	<b>6,252,721</b>	<b>9,359,058</b>	<b>8,687,760</b>
379100	Use of (Contribution to) Fund Balance	1,903,450	1,840,140	0	0
	<b>Total Use of Fund Balance</b>	<b>1,903,450</b>	<b>1,840,140</b>	<b>0</b>	<b>0</b>
	<b>Total Resources</b>	<b>7,840,325</b>	<b>8,092,861</b>	<b>9,359,058</b>	<b>8,687,760</b>

## Parking Garage Operations Fund

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

#### Pacific Place Garage Budget Control Level

The purpose of the Pacific Place Garage Budget Control Level is to provide appropriation authority for the City's expenses to operate the Pacific Place Garage, which is located between Sixth and Seventh Avenues and Pine and Olive Streets in downtown Seattle. The City took over responsibility for the Garage in November 1998.

Program Expenditures	2011 Actual	2012 Adopted	2013 Proposed	2014 Proposed
Pacific Place Garage	7,840,322	8,092,861	9,359,058	8,687,760
<b>Total</b>	<b>7,840,322</b>	<b>8,092,861</b>	<b>9,359,058</b>	<b>8,687,760</b>

#### Parking Garage Operations Fund Table

##### Parking Garage Operations Fund (46010)

	2011 Actuals	2012 Adopted	2012 Revised	2013 Proposed	2014 Proposed
<b>Beginning Fund Balance</b>	<b>-1,322,651</b>	<b>-3,255,338</b>	<b>-3,226,098</b>	<b>-4,881,959</b>	<b>-4,881,959</b>
Accounting and Technical Adjustments	0	0	0	0	0
Plus: Actual and Estimated Revenues	5,936,875	6,252,721	6,437,000	9,359,058	8,687,760
Less: Actual and Budgeted Expenditures	7,840,322	8,092,861	8,092,861	9,359,058	8,687,760
<b>Ending Fund Balance</b>	<b>-3,226,098</b>	<b>-5,095,478</b>	<b>-4,881,959</b>	<b>-4,881,959</b>	<b>-4,881,959</b>
<b>Ending Unreserved Fund Balance</b>	<b>-3,226,098</b>	<b>-5,095,478</b>	<b>-4,881,959</b>	<b>-4,881,959</b>	<b>-4,881,959</b>



# Appendix



## **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 2012, 2013 and 2014. 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

Department	2011 Actuals*	2012 Actuals*	2012-13 Change	2013 Estimate	2013-14 Change	2014 Estimate
Arts and Cultural Affairs, Office of	23	22	8	30		30
City Budget Office	29	28	1	29		29
Civil Rights, Seattle Office for	23	24		24		24
Civil Service Commission	2			-		-
Civil Service Commissions		3		3		3
Department of Parks and Recreation	993	979	(10)	969		969
Economic Development, Office of	22	24	(1)	23		23
Educational and Developmental Services Levy	-	9		9		9
Employees' Retirement System	16	18		18		18
Ethics and Elections Commission	6	7		7		7
Finance & Administrative Services, Department of	529	528	20	548	(11)	537
Hearing Examiner, Office of the	5	5		5		5
Housing, Office of	40	39		39		39
Human Services Department	331	325	24	349	3	352
Immigrant and Refugee Affairs, Office of	-	2	1	3		3
Information Technology, Department of	199	194	1	195		195
Intergovernmental Relations, Office of	12	11		11		11
Law Department	160	166	(3)	163		163
Legislative Department	86	87	(1)	86		86
Mayor, Office of the	29	29		29		29
Neighborhood Matching Subfund		6		6		6
Neighborhoods, Department of	81	44	1	45		45

## Summary of Position Changes by Department

Office of City Auditor	8	9		9		9
Personnel Department	107	108	(2)	106		106
Planning and Development, Department of	402	397	(1)	396		396
Public Safety Civil Service Commission	1			-		-
Seattle Center	264	264	(2)	262		262
Seattle City Light	1,818	1,818	19	1,837		1,837
Seattle Fire Department	1,173	1,174	(2)	1,172		1,172
Seattle Municipal Court	226	226	(2)	224		224
Seattle Police Department	1,951	1,948	13	1,961		1,961
Seattle Public Utilities	1,428	1,418	(11)	1,407		1,407
Sustainability and Environment, Office of	11	16		16		16
Transportation, Seattle Department of	771	724	5	729		729
<b>Total Budgeted Positions</b>	<b>10,746</b>	<b>10,652</b>	<b>58</b>	<b>10,710</b>	<b>(8)</b>	<b>10,702</b>
The Seattle Public Library**	617	616	51	667		667
Seattle Police Relief and Pension Fund	3	3		3		3
Seattle Firefighter's Pension Fund	4	4		4		4
<b>Total Citywide Positions</b>	<b>11,370</b>	<b>11,275</b>	<b>109</b>	<b>11,384</b>	<b>(8)</b>	<b>11,376</b>

**NOTES:**

\* Budgeted Positions are based on 2011/2012 Position Authorization Ordinances 123626/123910

\*\* 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 Fire Pensions funds are set by their respective board members.

## Summary of Full-Time Equivalent (FTE) Changes by Department

Department	2011 Actuals*	2012 Actuals*	2012-13 Change	2013 Estimate	2013-14 Change	2014 Estimate
Arts and Cultural Affairs, Office of	20.60	19.85	7.74	27.59		27.59
City Budget Office	28.50	27.50	1.00	28.50		28.50
Civil Rights, Seattle Office for	21.50	22.50	-	22.50		22.50
Civil Service Commission	1.80		-	-		-
Civil Service Commissions		2.60	-	2.60		2.60
Department of Parks and Recreation	890.89	863.09	(7.02)	856.07		856.07
Economic Development, Office of	22.00	24.00	(1.50)	22.50		22.50
Educational and Developmental Services Levy	-	9.00	-	9.00		9.00
Employees' Retirement System	15.50	18.00	-	18.00		18.00
Ethics and Elections Commission	5.20	6.20	-	6.20		6.20
Finance & Administrative Services, Department of	523.75	521.75	20.00	541.75	(11.00)	530.75
Hearing Examiner, Office of the	4.63	4.63	-	4.63		4.63
Housing, Office of	38.50	37.50	-	37.50		37.50
Human Services Department	323.10	316.10	22.50	338.60	3.00	341.60
Immigrant and Refugee Affairs, Office of	-	2.00	1.00	3.00		3.00
Information Technology, Department of	195.00	190.25	2.00	192.25		192.25
Intergovernmental Relations, Office of	11.50	10.50	-	10.50		10.50
Law Department	155.10	160.60	(1.50)	159.10		159.10
Legislative Department	86.00	87.00	(1.00)	86.00		86.00
Mayor, Office of the	28.50	28.50	-	28.50		28.50
Neighborhood Matching Subfund		6.00	-	6.00		6.00
Neighborhoods, Department of	74.75	40.50	0.75	41.25		41.25
Office of City Auditor	8.00	9.00	-	9.00		9.00
Personnel Department	104.25	105.25	(1.50)	103.75		103.75

## Summary of Full-Time Equivalent (FTE) Changes by Department

Planning and Development, Department of	397.75	393.25	(0.50)	392.75	392.75
Public Safety Civil Service Commission	1.00		-	-	-
Seattle Center	245.12	245.12	(3.50)	241.62	241.62
Seattle City Light	1,810.75	1,810.75	19.50	1,830.25	1,830.25
Seattle Fire Department	1,151.55	1,152.55	(2.00)	1,150.55	1,150.55
Seattle Municipal Court	214.10	214.10	(1.50)	212.60	212.60
Seattle Police Department	1,938.35	1,935.35	13.00	1,948.35	1,948.35
Seattle Public Utilities Sustainability and Environment, Office of	1,420.75	1,411.05	(10.50)	1,400.55	1,400.55
Transportation, Seattle Department of	11.00	15.00	-	15.00	15.00
	768.50	721.00	4.50	725.50	725.50
<b>Total Budgeted FTEs</b>	<b>10,517.94</b>	<b>10,410.49</b>	<b>61.47</b>	<b>10,471.96</b>	<b>(8.00) 10,463.96</b>
The Seattle Public Library	509.95	508.74	49.66	558.4	558.4
Seattle Police Relief and Pension Fund	3	3		3	3
Seattle Firefighter's Pension Fund	4	4		4	4
<b>Total Citywide FTEs</b>	<b>11,034.89</b>	<b>10,926.23</b>	<b>111.13</b>	<b>11,037.36</b>	<b>(8.00) 11,029.36</b>

**NOTES:**

\* Budgeted FTEs are based on 2011/2012 Position Authorization Ordinances 123626/123910.

\*\* 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 Fire Pension funds are set by their respective board members.



## **Fund Financial Plans:**

A six-year financial plan is included for major City funds. The six-year financial plans include information about fund revenues, expenditures, reserves and fund balances, covering the following milestones: 2011 actual results, 2012 adopted, 2012 revised, 2013 and 2014 proposed, and projections for 2015 – 2016. These funds allow the reader to see trends for major City funds.

## Fund Financial Plans

Fund #	Fund Name	Page
00100	General Subfund.....	712
00160	Cable Television Franchise Sub-Fund.....	713
00161	Cumulative Reserve Subfund, Real Estate Excise Tax II Subaccount.....	714
00163	Cumulative Reserve Subfund, Real Estate Excise Tax I Subaccount.....	715
00164	Cumulative Reserve Subfund, Unrestricted Subaccount.....	716
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00169	Cumulative Reserve Subfund, Street Vacation .....	721
00178	Cumulative Reserve Subfund - Bluefield Habitat Preservation.....	722
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## Fund Financial Plans

46010	Parking Garage Operations Fund.....	740
50300	Finance and Administrative Services Fund.....	741
50410	Information Technology Fund.....	743
60200	Fire Pension Fund.....	744
60400	Police Pension Fund.....	745

# Fund Financial Plans

## General Subfund Financial Plan (Subfund 00100)

Amounts in \$1,000s	2011 Actuals	2012 Adopted	2012 Revised	2013 Proposed	2014 Proposed	2015 Projected	2016 Projected
Beginning Fund Balance	7,283	6,465	29,513	26,018	20,791	32,056	47,918
Technical Adjustments	(4,772)		(5,910)				
<b>Beginning Unreserved Fund Balance</b>	<b>2,512</b>	<b>6,465</b>	<b>23,603</b>	<b>26,018</b>	<b>20,791</b>	<b>32,056</b>	<b>47,918</b>
<b>Revenues</b>							
Property Taxes	254,240	257,624	258,942	260,501	270,033	275,802	285,608
Sales Tax	157,054	157,381	164,823	170,587	177,002	184,755	192,516
Business and Occupation Tax	168,781	175,344	181,605	188,668	199,462	211,503	224,151
Utility Tax	168,388	177,073	170,680	177,723	185,891	187,700	191,239
Other Taxes	15,545	10,122	13,950	13,877	15,555	15,854	15,873
Parking Meters	31,314	33,524	34,494	34,825	35,494	36,177	36,874
Court Fines and Forfeitures	31,389	36,080	32,263	33,711	34,699	34,451	34,451
Revenue from Other Public Entities	32,679	11,059	9,033	8,669	8,669	8,683	8,683
Service Charges & Reimbursements	39,953	36,542	38,340	38,484	39,427	39,824	40,174
Fund Balance Transfers (ERF, RSA, J&C, CRS-U)	10,214	9,807	9,807	2,174	637	640	640
Licenses, Permits, Interest Income and Other	16,816	15,181	16,717	16,572	19,528	19,109	19,433
<b>Total Revenues</b>	<b>926,374</b>	<b>919,738</b>	<b>930,654</b>	<b>945,790</b>	<b>986,398</b>	<b>1,014,497</b>	<b>1,049,641</b>
<b>Expenditures</b>							
Arts, Culture & Recreation	(142,321)	(143,884)	(143,884)	(146,505)	(154,564)	(160,869)	(164,819)
Health and Human Services	(52,311)	(54,352)	(54,352)	(57,469)	(59,533)	(60,822)	(62,093)
Neighborhoods & Development	(29,906)	(26,390)	(26,390)	(28,753)	(29,697)	(30,612)	(31,285)
Public Safety	(525,933)	(521,931)	(521,931)	(542,046)	(548,766)	(563,110)	(576,901)
Utilities and Transportation	(38,624)	(38,841)	(38,841)	(39,808)	(40,239)	(41,150)	(42,015)
Administration (1)	(101,992)	(115,447)	(115,447)	(117,537)	(119,188)	(121,888)	(126,062)
Debt Service	(11,116)	(13,092)	(13,092)	(13,694)	(16,773)	(17,121)	(15,812)
GF Subfunds, Judgement & Claims	(1,941)	(4,026)	(4,026)	(5,206)	(6,373)	(6,565)	(6,761)
Other Potential Spending Changes			(11,130)				
Mid-Year Reductions			5,897				
Carryforward Supplemental			(108)				
First Quarter Supplemental			(1,155)				
Second Quarter Supplemental			(15)				
Third Quarter Supplemental			(2,427)				
Stand Alone Ordinances			(1,338)				
<b>Future Reductions Needed</b>						<b>3,500</b>	<b>3,500</b>
<b>Total Expenditures</b>	<b>(904,145)</b>	<b>(917,962)</b>	<b>(928,239)</b>	<b>(951,018)</b>	<b>(975,133)</b>	<b>(998,635)</b>	<b>(1,022,249)</b>
Technical Adjustments	4,772						
<b>Ending Fund Balance</b>	<b>29,513</b>	<b>8,241</b>	<b>26,018</b>	<b>20,791</b>	<b>32,056</b>	<b>47,918</b>	<b>75,310</b>
<b>Reserves</b>							
Reserves Against Fund Balance	(876)	(8,213)	(4,821)	(16,183)	(31,968)	(47,796)	(75,065)
Reserves - Technical (Carryforward, etc)	(5,910)						
<b>Ending Unreserved Fund Balance</b>	<b>22,727</b>	<b>28</b>	<b>21,197</b>	<b>4,608</b>	<b>88</b>	<b>122</b>	<b>246</b>

## Fund Financial Plans

### Cable Television Franchise Subfund (00160)

Amounts in \$1,000s	2011 Actuals	2012 Adopted	2012 Revised <sup>2</sup>	2013 Proposed <sup>2</sup>	2014 Proposed <sup>2</sup>	2015 Projected <sup>1,2</sup>	2016 Projected <sup>1,2</sup>
Beginning Fund Balance	5,073	4,697	4,760	4,481	3,609	2,638	1,926
Accounting Adjustments	(8)		-	-	-	-	-
<b>Beginning Unreserved Fund Balance</b>	5,066	4,697	4,760	4,481	3,609	2,638	1,926
<b>Revenues</b>							
Franchise Fees	7,372	7,423	7,500	7,630	7,762	7,956	8,155
Misc. Revenues/Rebates <sup>3</sup>	17	9	356				
Interest Earnings	38	46	46	40	31	23	16
<b>Total Revenues</b>	7,428	7,478	7,902	7,670	7,793	7,979	8,171
<b>Expenditures</b>							
Finance and Administration	(290)	(300)	(300)	(374)	(386)	(401)	(418)
Technology Leadership and Governance	(276)	(265)	(265)	(314)	(321)	(334)	(348)
Technology Infrastructure	(1,426)	(1,412)	(1,412)	(1,571)	(1,662)	(1,729)	(1,799)
Office of Electronic Communication	(5,551)	(6,014)	(6,014)	(6,093)	(6,205)	(6,036)	(5,986)
Support to Library	(190)	(190)	(190)	(190)	(190)	(190)	(190)
Fund Deficit							554
<b>Total Expenditures</b>	(7,733)	(8,181)	(8,181)	(8,542)	(8,764)	(8,690)	(8,186)
<b>Ending Fund Balance</b>	4,760	3,994	4,481	3,609	2,638	1,926	1,911
<b>Reserves</b>							
Designation for Cable Programs	(2,287)	(1,614)	(1,583)	(873)	(234)	0.00	-
Cash Float & Revenue Projection Reserves	(1,160)	(1,227)	(1,227)	(1,281)	(1,315)	(1,304)	(1,311)
Equipment Replacement for Capital Acquisitions	(600)	(600)	(600)	(600)	(600)	(600)	(600)
<b>Total Reserves</b>	(4,047)	(3,441)	(3,410)	(2,755)	(2,149)	(1,904)	(1,911)
<b>Ending Unreserved Fund Balance</b>	713	553	1,071	854	489	22	0.00

**Assumptions:**

<sup>1</sup> Assumes 4% expenditure growth starting in 2015

<sup>2</sup> Assumes 1.73% Cable Franchise Fee growth in 2012, 2013, and 2014 and 2.5% thereafter

<sup>3</sup> 2012 Revenues Includes Broadstripe/Wave settlement and late fee payments in the amount of \$352K

## Fund Financial Plans

### Cumulative Reserve Subfund - REET II (Fund 00161)

Amounts in \$1,000s	2011 Actuals	2012 Adopted	2012 Revised	2013 Proposed	2014 Proposed	2015 Projected	2016 Projected
Beginning Fund Balance	10,246	11,840	11,136	12,219	9,397	12,740	14,663
Accounting & Technical Adjustments							
<b>Beginning Unreserved Fund Balance</b>	10,246	11,840	11,136	12,219	9,397	12,740	14,663
<b>Revenues</b>							
Real Estate Excise Taxes	15,101	14,462	18,077	18,020	20,195	23,229	25,253
<b>Total Revenues</b>	15,101	14,462	18,077	18,020	20,195	23,229	25,253
<b>Expenditures</b>							
Direct CRS Spending	(6,414)	(5,600)	(5,600)	(11,562)	(8,746)	(10,436)	(5,421)
CIP Supported Projects	(7,797)	(11,069)	(11,069)	(8,573)	(8,105)	(10,871)	(11,674)
ADA Projects		(325)	(325)	(708)			
<b>Total Expenditures</b>	(14,212)	(16,994)	(16,994)	(20,843)	(16,851)	(21,307)	(17,095)
<b>Ending Fund Balance</b>	11,136	9,308	12,219	9,397	12,740	14,663	22,821
<b>Reserves</b>							
Continuing Appropriation	(6,541)	(7,846)	(6,541)	(6,541)	(6,541)	(6,541)	(6,541)
Reserve for American Disabilities Act Projects					(90)	(840)	(1,590)
Reserve for Neighborhood (NSF) Projects					(1,100)	(2,100)	(3,100)
Reserve for Asset Preservation Projects						(150)	(6,500)
Fund Balance Target Reserve	(1,000)	(1,400)	(1,400)	(2,850)	(5,000)	(5,000)	(5,000)
<b>Total Reserves</b>	(7,541)	(9,246)	(7,941)	(9,391)	(12,731)	(14,631)	(22,731)
<b>Ending Unreserved Fund Balance</b>	3,595	62	4,278	6	9	32	90

## Fund Financial Plans

### Cumulative Reserve Subfund - REET I (Fund 00163)

Amounts in \$1,000s	2011 Actuals	2012 Adopted	2012 Revised	2013 Proposed	2014 Proposed	2015 Projected	2016 Projected
Beginning Fund Balance	21,186	21,405	19,776	21,710	19,033	23,937	36,668
Accounting & Technical Adjustments							
<b>Beginning Unreserved Fund Balance</b>	21,186	21,405	19,776	21,710	19,033	23,937	36,668
<b>Revenues</b>							
Real Estate Excise Taxes	15,065	14,462	18,077	18,020	20,195	23,229	25,253
<b>Total Revenues</b>	15,065	14,462	18,077	18,020	20,195	23,229	25,253
<b>Expenditures</b>							
Direct CRS Spending	(3,843)	(2,031)	(1,972)	(872)	(886)	(900)	(915)
CIP Supported Projects	(12,631)	(12,496)	(12,496)	(17,535)	(14,405)	(9,598)	(8,011)
ADA Projects		(1,675)	(1,675)	(2,292)			
<b>Total Expenditures</b>	(16,475)	(16,202)	(16,143)	(20,698)	(15,291)	(10,498)	(8,926)
<b>Ending Fund Balance</b>	19,776	19,666	21,710	19,033	23,937	36,668	52,996
<b>Reserves</b>							
Continuing Appropriation	(14,972)	(17,317)	(14,972)	(14,972)	(14,972)	(14,972)	(14,972)
Reserve for American Disabilities Act Projects					(3,678)	(5,928)	(8,178)
Reserve for Asset Preservation /Major Maintenance				(280)	(280)	(10,750)	(24,800)
Fund Balance Target Reserve	(1,000)	(2,250)	(2,250)	(3,750)	(5,000)	(5,000)	(5,000)
<b>Total Reserves</b>	(15,972)	(19,567)	(17,222)	(19,002)	(23,930)	(36,650)	(52,950)
<b>Ending Unreserved Fund Balance</b>	3,805	99	4,488	31	7	18	46

# Fund Financial Plans

## Cumulative Reserve Subfund - Unrestricted (Fund 00164)

Amounts in \$1,000s	2011 Actuals	2012 Adopted	2012 Revised	2013 Proposed	2014 Proposed	2015 Projected	2016 Projected
Beginning Fund Balance	(4,933)	(3,912)	1,026	1,812	7,106	10,137	7,029
Accounting & Technical Adjustments							
<b>Beginning Unreserved Fund Balance</b>	(4,933)	(3,912)	1,026	1,812	7,106	10,137	7,029
<b>Revenues</b>							
Grants/Levy/Donations/Other	9,789	4,431	3,887	4,555	4,379	2,954	1,594
Misc Revenues <sup>1</sup>	1,201	1,370	1,370	1,370	5,610	473	1,830
Property Sales	20,000			8,500			
General Fund Support		500	500	500	500	500	500
<b>Total Revenues</b>	30,990	6,301	5,757	14,925	10,489	3,927	3,924
<b>Expenditures</b>							
Direct CRS Spending	(1,199)	(1,148)	(1,148)	(1,099)	(579)	(74)	(74)
CIP Supported Projects	(3,832)	(3,822)	(3,822)	(6,032)	(4,379)	(3,461)	(2,110)
MOHAI Payment <sup>2</sup>	(20,000)			(2,500)	(2,500)	(3,500)	
Support to General Fund							
<b>Total Expenditures</b>	(25,032)	(4,970)	(4,970)	(9,631)	(7,458)	(7,035)	(2,184)
<b>Ending Fund Balance</b>	1,026	(2,581)	1,812	7,106	10,137	7,029	8,769
<b>Reserves</b>							
Continuing Appropriation	(5,698)	(6,087)	(5,698)	(5,698)	(5,698)	(5,698)	(5,698)
MOHAI Future Payments Reserve				(6,000)	(3,500)		
District Energy Investment Reserve				(350)	(350)	(350)	(350)
Transit Master Plan Investment Reserve <sup>3</sup>					(2,500)	(2,500)	(2,500)
<b>Total Reserves</b>	(5,698)	(6,087)	(5,698)	(12,048)	(12,048)	(8,548)	(8,548)
<b>Ending Unreserved Fund Balance</b>	(4,673)	(8,669)	(3,886)	(4,942)	(1,911)	(1,519)	221

**Assumptions:**

1) Includes Interest Earnings, Street Vacations, Parking Fees

2) The CRS-Unrestricted Subaccount was used to facilitate the distribution of the proceeds from the sale of McCurdy Park facilities formerly occupied by the Museum of History and Industry (MOHAI). In accordance with the settlement agreement between the City of Seattle and MOHAI, the City received \$20 million of sale proceeds in 2010 from the State and transferred this full amount to MOHAI. An additional \$20 million of McCurdy Park facilities sale proceeds from the State was received in 2011. From this second \$20 million payment, \$11.5 million was transferred to MOHAI in 2011, with the remaining \$8.5 million to be paid from the City to MOHAI in three annual installments between 2013 and 2015. The 2013 through 2015 payments are anticipated to be supported by land sale proceeds.

3) Transit Master Plan Investment Reserve. \$2.5 million is designated in 2014 for further implementation of the Transit Master Plan (TMP). The TMP identified the highest priority corridors for high capacity transit service (HCT) in Seattle. The 2013-2014 Proposed Budget completes funding for corridor analyses of each of the priority HCT corridors. The TMP Investment Reserve will provide local matching funds to continue the next phase of work on each of these corridors, which will focus on design, engineering and environmental review. It is expected that the Center City Connector will be the first corridor to reach this phase. The TMP Investment Reserve will help the City secure federal grant funding to complete planning work in these corridors.

## Fund Financial Plans

### Neighborhood Matching Subfund (00165)

Amounts in \$1,000s	2011 Actuals	2012 Adopted	2012 Revised	2013 Proposed	2014 Proposed	2015 Projected	2016 Projected
Beginning Fund Balance	4,284	4,085	3,959	3,617	3,298	2,971	2,632
<b>Total Beginning Fund Balance</b>	<b>4,284</b>	<b>4,085</b>	<b>3,959</b>	<b>3,617</b>	<b>3,298</b>	<b>2,971</b>	<b>2,632</b>
<b>Revenues</b>							
Revenues (Support from General Fund)	2,939	2,779	2,779	2,991	3,066	3,189	3,316
Mid Year Cut/Underspend Requirement	(88)		(28)				
<b>Total Revenues</b>	<b>2,851</b>	<b>2,779</b>	<b>2,751</b>	<b>2,991</b>	<b>3,066</b>	<b>3,189</b>	<b>3,316</b>
<b>Expenditures</b>							
Large Projects	(1,239)	(1,197)	(1,198)	(1,221)	(1,250)	(1,300)	(1,352)
Management and Project Development (MPD)	(641)	(710)	(710)	(780)	(806)	(838)	(871)
Small and Simple Projects	(1,245)	(1,171)	(1,171)	(1,294)	(1,322)	(1,375)	(1,430)
Small Sparks Projects	(51)	(15)	(15)	(15)	(16)	(16)	(17)
<b>Total Expenditures</b>	<b>(3,176)</b>	<b>(3,093)</b>	<b>(3,093)</b>	<b>(3,311)</b>	<b>(3,393)</b>	<b>(3,528)</b>	<b>(3,670)</b>
<b>Ending Fund Balance</b>	<b>3,959</b>	<b>3,771</b>	<b>3,617</b>	<b>3,298</b>	<b>2,971</b>	<b>2,632</b>	<b>2,278</b>
<b>Reserves</b>							
Reserves for Encumbrances (Contracted)	(1,230)	(1,628)	(1,558)	(1,418)	(1,278)	(1,329)	(1,382)
Reserves for Contracting in Progress	(2,415)	(2,032)	(1,739)	(1,553)	(1,354)	(949)	(529)
<b>Total Reserves</b>	<b>(3,645)</b>	<b>(3,660)</b>	<b>(3,297)</b>	<b>(2,971)</b>	<b>(2,631)</b>	<b>(2,278)</b>	<b>(1,911)</b>
<b>Ending Unreserved Fund Balance</b>	<b>314</b>	<b>112</b>	<b>320</b>	<b>327</b>	<b>340</b>	<b>354</b>	<b>367</b>

**Notes:**

**2012 Revised:**

Assumed 1% Underspend directive to be reduction of Revenues from the General Fund to be taken up at the end of the year (see G15)  
Expenditures and Reserved for Encumbrances to be a % of the Funds Available During the Year (line 17)

**2013 and 2014 Proposed:**

Assumed Expenditures is the Adopted Expenditures  
Assumed 2013 Use of Fund Balance to be 2% of 2012; 2014 to be 2% of 2013

**2015 and 2016 Projected:**

Assumed 2015 Expenditure Budget to be 4% of 2014; 2016 4% of 2015  
Assumed Use of FB for 2014 to be 4% of 2013; 2015 4% of 2014; 2016 4% of 2015

## Fund Financial Plans

### Revenue Stabalization (Fund 00166)

Amounts in \$1,000s	2011 Actuals	2012 Adopted	2012 Revised	2013 Proposed	2014 Proposed	2015 Projected	2016 Projected
Beginning Fund Balance	10,469	11,219	11,969	21,684	25,742	29,968	34,335
Accounting Adjustments		-	-	-	-	-	-
<b>Beginning Unreserved Fund Balance</b>	10,469	11,219	11,969	21,684	25,742	29,968	34,335
<b>Revenues</b>							
CY/Actual Budget Contribution	1,500	1,950	9,715	4,058	4,226	4,367	4,516
<b>Total Revenues</b>	1,500	1,950	9,715	4,058	4,226	4,367	4,516
<b>Expenditures</b>							
CY/Actual Budget Appropriations	-	-	-	-	-	-	-
<b>Total Expenditures</b>	-	-	-	-	-	-	-
<b>Ending Fund Balance</b>	11,969	13,169	21,684	25,742	29,968	34,335	38,851
<b>Reserves</b>							
Continuing Appropriations							
Operating Reserve							
Encumbrances							
<b>Total Reserves</b>	-	-	-	-	-	-	-
<b>Ending Unreserved Fund Balance</b>	11,969	13,169	21,684	25,742	29,968	34,335	38,851

## Fund Financial Plans

### Cumulative Reserve Subfund - South Lake Union Property Fund (00167)

Amounts in \$1,000s	2011 Actuals	2012 Adopted	2012 Revised	2013 Proposed	2014 Proposed	2015 Projected	2016 Projected
Beginning Fund Balance	311	313	314	316	318	320	322
Accounting & Technical Adjustments							
<b><i>Beginning Unreserved Fund Balance</i></b>	311	313	314	316	318	320	322
<b><u>Revenues</u></b>							
Misc Revenue	3	2	2	2	2	2	2
<b><i>Total Revenues</i></b>	3	2	2	2	2	2	2
<b><u>Expenditures</u></b>							
Actual/Budgeted Spending							
<b><i>Total Expenditures</i></b>	0	0	0	0	0	0	0
<b><i>Ending Fund Balance</i></b>	314	315	316	318	320	322	324
<b><u>Reserves</u></b>							
Continuing Appropriation							
Designated for Transportation Purposes	(314)	(315)	(316)	(318)	(320)	(322)	(324)
<b><i>Total Reserves</i></b>	(314)	(315)	(316)	(318)	(320)	(322)	(324)
<b><i>Ending Unreserved Fund Balance</i></b>	0	0	0	0	0	0	0

## Fund Financial Plans

### Cumulative Reserve Subfund - Asset Preservation Fund (00168)

Amounts in \$1,000s	2011 Actuals	2012 Adopted	2012 Revised	2013 Proposed	2014 Proposed	2015 Projected	2016 Projected
Beginning Fund Balance	6,123	6,469	5,518	4,348	4,598	4,848	5,178
Accounting & Technical Adjustments							
<b>Beginning Unreserved Fund Balance</b>	6,123	6,469	5,518	4,348	4,598	4,848	5,178
<b>Revenues</b>							
Misc Revenue	4,061	4,050	4,050	4,050	4,050	4,050	4,050
<b>Total Revenues</b>	4,061	4,050	4,050	4,050	4,050	4,050	4,050
<b>Expenditures</b>							
Actual/Budgeted Spending	(4,665)	(5,220)	(5,220)	(3,800)	(3,800)	(3,720)	(3,720)
<b>Total Expenditures</b>	(4,665)	(5,220)	(5,220)	(3,800)	(3,800)	(3,720)	(3,720)
<b>Ending Fund Balance</b>	5,518	5,299	4,348	4,598	4,848	5,178	5,508
<b>Reserves</b>							
Continuing Appropriation	(4,032)	(4,977)	(4,032)	(4,032)	(4,032)	(4,032)	(4,032)
Large Expense Project Reserve	(1,487)	(322)	(317)	(567)	(817)	(1,147)	(1,477)
<b>Total Reserves</b>	(5,518)	(5,299)	(4,348)	(4,598)	(4,848)	(5,178)	(5,508)
<b>Ending Unreserved Fund Balance</b>	0	0	0	0	0	0	0

## Fund Financial Plans

### Cumulative Reserve Subfund - Street Vacation Fund (00169)

Amounts in \$1,000s	2011 Actuals	2012 Adopted	2012 Revised	2013 Proposed	2014 Proposed	2015 Projected	2016 Projected
Beginning Fund Balance	86	955	305	(1,058)	(78)	5,142	5,225
Accounting & Technical Adjustments							
<b>Beginning Unreserved Fund Balance</b>	86	955	305	(1,058)	(78)	5,142	5,225
<b>Revenues</b>							
Misc Revenue	661	980	436	980	5,220	83	1,440
<b>Total Revenues</b>	661	980	436	980	5,220	83	1,440
<b>Expenditures</b>							
Actual/Budgeted Spending	(443)	(1,189)	(1,799)				
<b>Total Expenditures</b>	(443)	(1,189)	(1,799)		-	-	-
<b>Ending Fund Balance</b>	305	747	(1,058)	(78)	5,142	5,225	6,665
<b>Reserves</b>							
Continuing Appropriation	(481)	(624)	(1,871)	(1,871)	(1,871)	(1,871)	(1,871)
Designated for Transportation Purposes					(3,271)	(3,354)	(4,794)
<b>Total Reserves</b>	(481)	(624)	(1,871)	(1,871)	(5,142)	(5,225)	(6,665)
<b>Ending Unreserved Fund Balance</b>	(176)	123	(2,929)	(1,949)	0	0	0

## Fund Financial Plans

### Cumulative Reserve Subfund - Bluefield Habitat Preservation Fund (00178)

Amounts in \$1,000s	2011 Actuals	2012 Adopted	2012 Revised	2013 Proposed	2014 Proposed	2015 Projected	2016 Projected
Beginning Fund Balance		104	104	204	204	204	204
Accounting & Technical Adjustments							
<b>Beginning Unreserved Fund Balance</b>		104	104	204	204	204	204
<b>Revenues</b>							
Misc Revenue	104		100				
<b>Total Revenues</b>	104		100				
<b>Expenditures</b>							
Actual/Budgeted Spending							
<b>Total Expenditures</b>					0	0	0
<b>Ending Fund Balance</b>	104	104	204	204	204	204	204
<b>Reserves</b>							
Continuing Appropriation							
Designated for Transportation Purposes	(104)		(204)	(204)	(204)	(204)	(204)
<b>Total Reserves</b>	(104)		(204)	(204)	(204)	(204)	(204)
<b>Ending Unreserved Fund Balance</b>	<b>(0)</b>	104	(0)	(0)	(0)	(0)	(0)

## Fund Financial Plans

### Emergency Fund ( Fund 00185)

Amounts in \$1,000s	2011 Actuals	2012 Adopted	2012 Revised	2013 Proposed	2014 Proposed	2015 Projected	2016 Projected
Beginning Fund Balance	45,501	43,921	44,101	44,101	43,537	44,425	45,992
<b>Beginning Unreserved Fund Balance</b>	45,501	43,921	44,101	44,101	43,537	44,425	45,992
<b>Revenues</b>							
CY/Actual Budget Contribution	0	385	0	0	889	1,566	2,062
<b>Total Revenues</b>	0	385	0	0	889	1,566	2,062
<b>Expenditures</b>							
CY/Actual Budget Appropriations	(1,400)		0	(565)			
<b>Total Expenditures</b>	(1,400)		0	(565)	0	0	0
<b>Ending Fund Balance</b>	44,101	44,306	44,101	43,537	44,425	45,992	48,053
<b>Reserves</b>							
Continuing Appropriations	(178)		(178)	(178)	(178)	(178)	(178)
Operating Reserve							
Encumbrances							
<b>Total Reserves</b>	(178)	0	(178)	(178)	(178)	(178)	(178)
<b>Ending Unreserved Fund Balance</b>	43,923	44,306	43,923	43,359	44,247	45,814	47,875

## Fund Financial Plans

### Transportation Master Fund (103XX)

Amounts in \$1,000s	2011 Actuals	2012 Adopted	2012 Revised	2013 Proposed	2014 Proposed	2015 Projected	2016 Projected
Beginning Fund Balance	33,208	36,325	61,183	44,465	53,203	46,191	50,715
Accounting/Technical Adjustments	(661)						
<b>Revised Beginning Fund Balance</b>	<b>32,547</b>	<b>36,325</b>	<b>61,183</b>	<b>44,465</b>	<b>53,203</b>	<b>46,191</b>	<b>50,715</b>
<b>Revenues</b>							
Interest Earnings	118	-	-	-	-	-	-
BTG Employee Hours Tax	254	-	-	-	-	-	-
BTG Commercial Parking Tax (10%)	23,517	24,608	24,303	25,033	26,159	26,944	27,752
BTG Levy	40,325	40,694	40,694	41,487	42,221	43,247	43,779
Commercial Parking Tax (2.5%)	5,162	6,152	6,076	6,258	6,540	6,736	6,938
Vehicle License Fee	3,720	6,800	6,800	6,868	6,937	7,006	7,076
General Fund	39,119	37,636	37,402	38,669	39,072	40,635	42,261
Gas Tax	12,653	12,965	12,965	12,965	12,965	12,965	12,965
CRS - REET II	3,715	4,071	4,071	10,200	7,384	9,074	4,075
CRS - Street Vacation	443	1,189	1,189	-	-	-	-
CRS - Unrestricted - Proposition 2	1,260	1,074	1,074	1,026	505	256	-
Other Street Use & Curb Permit	11,488	5,352	5,352	6,774	7,282	7,573	7,876
Other Non-Business Licenses/Fees	1,169	917	917	1,119	953	991	1,031
Interlocal Grants	570	1,425	1,425	-	-	-	-
Private Reimbursements & Property Proceeds	56	5,750	5,750	1,000	14,900	15,200	25,945
Other Protective Inspection	-	960	960	1,220	1,316	1,369	1,423
Street Maintenance & Repair	129	954	954	742	765	796	828
Other Charges - Transportation	45,174	62,754	62,754	41,305	49,825	18,067	12,639
Federal Grants	23,530	16,868	16,868	12,898	13,030	-	-
State Grants	6,442	21,390	21,390	12,220	21,724	20,727	87,529
LTGO Bond Proceeds	41,150	30,978	30,978	34,301	15,004	25,336	-
Local Improvement District Bond Proceeds	-	-	-	-	-	42,500	77,000
Long-Term Intergovernmental Loan Proceeds	248	1,800	1,800	-	-	-	-
IF Architect/Engineering Services	-	354	354	1,290	400	-	-
IF Other Charges - Transportation	11,269	6,602	6,602	7,283	7,748	7,981	8,220
IF Capital Contributions & Grants	-	2,000	2,000	13,900	20,000	-	-
Seattle City Light Fund	-	2,207	2,207	2,320	2,400	1,000	1,000
Seawall Levy	-	-	-	43,700	78,000	120,250	48,000
To Be Determined - Capital	-	-	-	-	-	30,722	8,055
Other - Voter Approved Levies, etc.	2,586	-	-	-	-	-	-
Other	187	-	-	-	-	-	-
Emergency Subfund	37	-	-	-	-	-	-
Rubble Yard Property Proceeds	19,800	-	-	-	-	-	-
Finance General: Rubble Yard Reserve	-	-	-	4,050	3,155	-	-
<b>Total Revenues</b>	<b>294,121</b>	<b>295,500</b>	<b>294,886</b>	<b>326,626</b>	<b>378,285</b>	<b>439,377</b>	<b>424,392</b>

## Fund Financial Plans

### Transportation Master Fund (103XX)

Amounts in \$1,000s	2011 Actuals	2012 Adopted	2012 Revised	2013 Proposed	2014 Proposed	2015 Projected	2016 Projected
<b>Expenditures</b>							
Bridges & Structures	(7,003)	(7,721)	(7,721)	(7,479)	(7,719)	(7,950)	(8,189)
Department Management	429	(10,569)	(10,569)	(1,211)	(1,233)	(1,270)	(1,308)
Engineering Services	(2,020)	(1,625)	(1,625)	(2,234)	(2,155)	(2,220)	(2,287)
General Expense	(22,142)	(30,286)	(30,286)	(30,992)	(34,446)	(31,175)	(31,628)
Major Maintenance/Replacement (CIP)	(46,892)	(41,530)	(42,483)	(48,289)	(48,914)	(48,522)	(36,405)
Major Projects (CIP)	(84,106)	(99,352)	(99,352)	(129,602)	(195,969)	(210,796)	(234,401)
Mobility-Capital (CIP)	(39,151)	(46,482)	(46,482)	(20,902)	(16,412)	(52,117)	(21,177)
Mobility-Operations	(29,510)	(35,140)	(35,140)	(35,668)	(36,457)	(37,551)	(38,677)
ROW Management	(9,257)	(11,524)	(11,524)	(13,733)	(13,624)	(14,033)	(14,454)
Street Maintenance	(21,921)	(22,019)	(22,019)	(23,167)	(23,611)	(24,320)	(25,049)
Urban Forestry	(3,911)	(4,403)	(4,403)	(4,611)	(4,757)	(4,900)	(5,047)
<b>Total Expenditures</b>	(265,485)	(310,651)	(311,604)	(317,888)	(385,297)	(434,853)	(418,621)
<b>Ending Fund Balance</b>	61,183	21,173	44,465	53,203	46,191	50,715	56,486
<b>Reserves</b>							
Rubble Yard Reserve	(16,800)	(2,057)	(2,000)	-	-	-	-
Continuing Appropriations	(41,502)	(23,000)	(41,502)	(41,502)	(41,502)	(41,502)	(41,502)
<b>Total Reserves</b>	(58,302)	(25,057)	(43,502)	(41,502)	(41,502)	(41,502)	(41,502)
<b>Ending Unreserved Fund Balance</b>	2,881	(3,884)	963	11,701	4,689	9,213	14,984

Notes:

- Consistent with the 2012 Adopted Budget and 2013-2014 Proposed Budget, this plan assumes the use of one-time revenues to cover core services in 2013 and 2014. Beginning in 2015, this gap will need to be addressed either with new revenues, expenditure reductions, or a
- In order to balance to appropriations in the 2013-14 Proposed Budget, \$2.82 million in capital revenue from a source 'To Be Determined' that is shown in 2014 in the 2013-2018 Proposed CIP is not included in 2014 revenues or expenditures above.
- 2016 revenue and expenditure projections assume the renewal of the Bridging the Gap Levy.

## Fund Financial Plans

### The Seattle Public Library (10410)

Amounts in \$1,000s	2011 Actuals	2012 Adopted	2012 Revised	2013 Proposed	2014 Proposed	2015 Projected	2016 Projected
Beginning Fund Balance	933	473	625	625	1,656	2,940	3,544
Accounting Adjustments	(7)						
<b>Beginning Unreserved Fund Balance</b>	<b>926</b>	<b>473</b>	<b>625</b>	<b>625</b>	<b>1,656</b>	<b>2,940</b>	<b>3,544</b>
<b>Revenues</b>							
Copy Services	40	60	60	60	60	60	60
Pay for Print	154	159	159	159	159	159	159
Fines/Fees	1,537	1,564	1,564	1,564	1,564	1,564	1,564
Parking - Central Library	289	300	300	300	300	300	300
Space Rental	146	150	150	150	150	150	150
Concessions Proceeds	3	3	3	3	3	3	3
Salvage Sales/Materials	62	50	50	50	50	50	50
Misc Revenue	3	3	3	3	3	3	3
Cable Franchise Fees	190	190	190	190	190	190	190
Library Levy -- Operating Support	0	0	0	14,082	13,942	13,773	13,760
General Subfund Support	46,857	49,325	49,325	48,044	50,131	52,136	54,222
<b>Total Revenues</b>	<b>49,281</b>	<b>51,804</b>	<b>51,804</b>	<b>64,605</b>	<b>66,552</b>	<b>68,388</b>	<b>70,461</b>
<b>Expenditures</b>							
City Librarian's Office	(806)	(1,030)	(1,030)	(1,008)	(1,039)	(1,081)	(1,124)
Human Resource	(1,173)	(1,038)	(1,038)	(1,074)	(1,111)	(1,155)	(1,202)
Information Technology	(3,209)	(3,242)	(3,242)	(5,527)	(4,908)	(5,010)	(5,180)
Administrative Services	(8,715)	(9,376)	(9,376)	(11,087)	(11,404)	(11,860)	(12,335)
Library Services Division	(35,679)	(37,118)	(37,118)	(44,876)	(46,806)	(48,678)	(50,625)
<b>Total Expenditures</b>	<b>(49,582)</b>	<b>(51,804)</b>	<b>(51,804)</b>	<b>(63,573)</b>	<b>(65,268)</b>	<b>(67,785)</b>	<b>(70,465)</b>
<b>Ending Fund Balance</b>	<b>625</b>	<b>473</b>	<b>625</b>	<b>1,656</b>	<b>2,940</b>	<b>3,544</b>	<b>3,540</b>
<b>Reserves</b>							
Encumbrances							
Known Liability	(115)	(372)	(115)	(115)	(115)	(115)	(115)
Levy Reserve for Future Use	0	0	0	(1,032)	(2,243)	(2,765)	(2,665)
<b>Total Reserves</b>	<b>(115)</b>	<b>(372)</b>	<b>(115)</b>	<b>(1,147)</b>	<b>(2,358)</b>	<b>(2,880)</b>	<b>(2,780)</b>
<b>Ending Unreserved Fund Balance</b>	<b>510</b>	<b>101</b>	<b>509</b>	<b>509</b>	<b>582</b>	<b>664</b>	<b>760</b>

## Fund Financial Plans

### Seattle Streetcar Fund (Fund 10810)

Amounts in \$1,000s	2011 Actuals	2012 Adopted	2012 Revised	2013 Proposed	2014 Proposed	2015 Projected	2016 Projected
Beginning Fund Balance	(3,382)	(3,460)	(3,460)	(3,629)	(3,561)	(3,609)	(3,526)
Accounting & Technical Adjustments							
<b>Beginning Unreserved Fund Balance</b>	<b>(3,382)</b>	<b>(3,460)</b>	<b>(3,460)</b>	<b>(3,629)</b>	<b>(3,561)</b>	<b>(3,609)</b>	<b>(3,526)</b>
<b>Revenues</b>							
Sponsorship Revenues	275	300	275	300	315	324	334
Farebox Recovery	112	95	116	119	123	126	130
FTA Funds	255	390	542	380	305	315	385
Donations	65						
Sound Transit Funds					4,910	5,057	5,209
<b>Total Revenues</b>	<b>707</b>	<b>785</b>	<b>933</b>	<b>799</b>	<b>5,653</b>	<b>5,823</b>	<b>6,058</b>
<b>Expenditures</b>							
South Lake Union Streetcar Operations and Maintenance	(658)	(878)	(1,068)	(731)	(790)	(683)	(698)
First Hill Streetcar Operations and Maintenance					(4,910)	(5,057)	(5,209)
<b>Total Expenditures</b>	<b>(658)</b>	<b>(878)</b>	<b>(1,068)</b>	<b>(731)</b>	<b>(5,700)</b>	<b>(5,740)</b>	<b>(5,907)</b>
<b>Pre-Adjustments Fund Balance</b>	<b>(3,333)</b>	<b>(3,553)</b>	<b>(3,595)</b>	<b>(3,561)</b>	<b>(3,609)</b>	<b>(3,526)</b>	<b>(3,375)</b>
Interest Expense	(25)	(52)	(34)				
Anticipated Underspend		10					
<b>Ending Fund Balance</b>	<b>(3,358)</b>	<b>(3,606)</b>	<b>(3,629)</b>	<b>(3,561)</b>	<b>(3,609)</b>	<b>(3,526)</b>	<b>(3,375)</b>

**Notes:**

Beginning with the 2013 Proposed Budget, Interest Expense is incorporated into the Streetcar Operations and Maintenance general expenditures line.

# Fund Financial Plans

## Planning and Development Fund (15700)

Amounts in \$1,000s	2011 Actuals	2012 Adopted	2012 Revised	2013 Proposed	2014 Proposed	2015 Projected	2016 Projected
Beginning Fund Balance	3,384	3,870	6,909	12,894	16,953	20,783	26,091
Accounting Adjustments	1,428						
<b>Beginning Unreserved Fund Balance</b>	4,812	3,870	6,909	12,894	16,953	20,783	26,091
<b>Revenues</b>							
Boiler	1,140	1,285	1,207	1,248	1,261	1,337	1,351
Building Development	19,923	18,716	23,199	23,892	24,139	25,590	25,954
Contingent Revenues - Unaccessed	0	6,620	0	6,620	6,620	6,620	6,620
Cum. Reserve Subfund-REET I - TRAO	85	155	96	153	157	162	167
Cum. Reserve Subfund-REET I - Design Commission	382	303	303	312	321	331	341
Cum. Reserve Subfund-Unrestricted - TRAO	33	76	59	73	76	78	80
Electrical	4,484	4,694	5,437	5,622	5,679	6,023	6,083
Elevator	2,572	2,769	2,867	2,965	2,995	3,176	3,208
General Fund	8,880	9,196	9,401	9,249	9,547	10,363	10,674
Grants/MOAs - All Else	930	412	663	288	296	306	314
SCL	594	0	0	0	0	0	0
Grants/MOAs - SPU MOA for Side Sewer & Drainage	1,081	1,137	1,092	1,125	1,159	1,194	1,229
Interest	105	50	103	100	100	100	100
Land Use	3,599	3,656	4,059	4,707	4,754	4,805	4,853
Other	1,405	1,300	1,526	1,579	1,594	1,691	1,708
Site Review	1,390	1,377	1,405	1,464	1,479	1,568	1,584
<b>Total Revenues</b>	46,601	51,745	51,416	59,397	60,176	63,344	64,266
<b>Expenditures</b>							
Annual Certification and Inspection	(4,150)	(3,980)	(4,159)	(4,030)	(4,159)	(4,284)	(4,413)
Code Compliance	(4,256)	(4,796)	(4,269)	(4,701)	(4,849)	(4,994)	(5,144)
Construction Inspections	(11,362)	(13,750)	(11,367)	(14,167)	(14,547)	(14,984)	(15,433)
Construction Permit Services	(13,611)	(17,544)	(14,571)	(19,436)	(19,929)	(20,527)	(21,142)
Department Leadership	-	-	-	-	-	-	-
Land Use Services	(3,493)	(4,258)	(4,130)	(4,712)	(4,852)	(4,997)	(5,147)
Planning	(7,242)	(5,464)	(5,846)	(5,730)	(5,914)	(6,091)	(6,274)
Process Improvements and Technology	(391)	(1,300)	(1,089)	(2,561)	(2,095)	(2,158)	(2,223)
<b>Total Expenditures</b>	(44,505)	(51,093)	(45,431)	(55,338)	(56,345)	(58,036)	(59,777)
<b>Ending Fund Balance</b>	6,909	4,522	12,894	16,953	20,783	26,091	30,580
<b>Reserves</b>							
Core Staffing	(1,104)	(754)	(760)	(1,764)	(3,771)	(6,984)	(9,504)
Process Improvements and Technology	(308)	(30)	(1,301)	(564)	(562)	(846)	(1,170)
<b>Total Reserves</b>	(1,412)	(784)	(2,061)	(2,328)	(4,334)	(7,830)	(10,674)
<b>Ending Unreserved Fund Balance</b>	5,497	3,738	10,833	14,625	16,450	18,261	19,906

## Fund Financial Plans

### Human Services Operating Fund (16200)

Amounts in \$1,000s	2011 Actuals	2012 Adopted	2012 Revised	2013 Proposed	2014 Proposed	2015 Projected	2016 Projected
Beginning Fund Balance	6,467	4,275	5,160	3,453	1,740	672	255
Accounting Adjustments	-	-	-	-	-	-	-
<b>Beginning Fund Balance</b>	<b>6,467</b>	<b>4,275</b>	<b>5,160</b>	<b>3,453</b>	<b>1,740</b>	<b>672</b>	<b>255</b>
<b>Revenues</b>							
ARRA Grants	3,222	77	551	-	-	-	-
Contributions / Private Sources	151	116	316	110	110	138	166
Federal Grants	39,921	35,915	35,652	37,958	38,286	39,243	40,224
General Fund	51,494	54,352	54,352	57,469	59,533	61,914	64,391
Housing Levy	132	850	850	935	935	958	982
Interlocal Grants	912	580	804	724	724	742	761
Investment Earnings	35	80	80	100	100	103	105
State Grants	14,231	15,276	15,276	16,901	17,227	17,658	18,099
Utility Funds	1,265	1,341	1,341	1,399	1,399	1,434	1,470
<b>Total Revenues</b>	<b>111,363</b>	<b>108,587</b>	<b>109,222</b>	<b>115,597</b>	<b>118,314</b>	<b>122,190</b>	<b>126,198</b>
<b>Expenditures</b>							
Self-Sufficiency	(1,788)			-	-		
Domestic and Sexual Violence Prevention	(4,454)			-	-		
Early Learning and Family Support	(12,692)			-	-		
Community Facilities	(238)			-	-		
Youth Development and Achievement	(10,296)			-	-		
Aging and Disability Services - AAA	(37,149)	(32,777)	(33,020)	(35,348)	(36,180)	(37,127)	(38,099)
Community Support and Self-Sufficiency		(11,850)	(11,844)	(10,836)	(10,870)	(11,259)	(11,661)
Leadership and Administration	(7,382)	(7,286)	(7,740)	(9,065)	(9,232)	(9,389)	(9,357)
Public Health Services	(11,141)	(11,870)	(11,870)	(12,184)	(12,464)	(12,962)	(13,481)
Transitional Living and Support	(27,529)	(28,820)	(29,021)	(29,223)	(29,613)	(30,609)	(31,641)
Youth and Family Empowerment		(17,445)	(17,434)	(20,654)	(21,022)	(21,261)	(22,026)
<b>Total Expenditures</b>	<b>(112,669)</b>	<b>(110,048)</b>	<b>(110,929)</b>	<b>(117,310)</b>	<b>(119,382)</b>	<b>(122,607)</b>	<b>(126,265)</b>
<b>Ending Fund Balance</b>	<b>5,160</b>	<b>2,814</b>	<b>3,453</b>	<b>1,740</b>	<b>672</b>	<b>255</b>	<b>187</b>
<b>Reserves</b>							
Continuing Appropriations (Non-Grant Funded)	(86)	-	-	-	-	-	-
Mandatory Reserve for Child Care Bonus Funds	(2,693)	(1,407)	(1,407)	(907)	(407)	-	-
Other Mandatory Restrictions	(1,461)	(1,150)	(1,096)	(583)	(53)	-	-
Reserve for Cash Flow and Benefits/Paid Leave	(200)	(200)	(200)	(200)	(200)	(200)	(200)
<b>Total Reserves</b>	<b>(4,440)</b>	<b>(2,757)</b>	<b>(2,703)</b>	<b>(1,690)</b>	<b>(660)</b>	<b>(200)</b>	<b>(200)</b>
<b>Ending Unreserved Fund Balance</b>	<b>720</b>	<b>57</b>	<b>750</b>	<b>50</b>	<b>12</b>	<b>55</b>	<b>(13)</b>

## Fund Financial Plans

### Office of Housing Low-Income Housing Fund (16400)

Amounts in \$1,000s	2011 Actuals	2012 Adopted	2012 Revised	2013 Proposed	2014 Proposed	2015 Projected	2016 Projected
Beginning Fund Balance	75,817	74,790	87,582	87,582	87,582	87,582	85,033
Carry Forward / Encumbrances	145						
<b>Total Beginning Fund Balance</b>	<b>75,962</b>	<b>74,790</b>	<b>87,582</b>	<b>87,582</b>	<b>87,582</b>	<b>87,582</b>	<b>85,033</b>
<b>Revenues</b>							
Property Tax Levy	18,644	17,972	17,972	17,969	17,969	17,969	17,969
State & Federal Weatherization Grants	5,440	3,250	3,250	5,250	5,299	3,750	3,750
Bonus Program/TDR Contributions	1,634	-	-	-	-	-	-
Investment Interest Earnings	202	877	877	4,602	4,602	2,102	2,102
Program Income - Miscellaneous*	4,040	6,502	6,502	11,244	11,244	4,744	7,244
Federal Grants - HOME Program	5,742	3,659	3,659	2,349	2,349	2,349	2,349
Local Grants - Weatherization	2,352	1,582	1,582	1,630	1,630	1,679	1,729
General Subfund Support	-	211	211	-	-	-	-
<b>Total Revenues</b>	<b>38,053</b>	<b>34,053</b>	<b>34,053</b>	<b>43,044</b>	<b>43,093</b>	<b>32,593</b>	<b>35,143</b>
<b>Expenditures</b>							
Homeownership and Sustainability - 16400	(11,365)	(7,837)	(8,052)	(10,115)	(10,163)	(10,212)	(10,263)
Multi-Family Production/Preservation-16400	(15,069)	(26,215)	(26,001)	(32,929)	(32,929)	(24,929)	(32,929)
<b>Total Expenditures</b>	<b>(26,434)</b>	<b>(34,053)</b>	<b>(34,053)</b>	<b>(43,044)</b>	<b>(43,093)</b>	<b>(35,142)</b>	<b>(43,192)</b>
<b>Ending Fund Balance</b>	<b>87,582</b>	<b>74,790</b>	<b>87,582</b>	<b>87,582</b>	<b>87,582</b>	<b>85,033</b>	<b>76,984</b>
<b>Reserved Fund Balances</b>							
Levy O&M Trust Funds	(26,395)	(20,515)	(26,395)	(26,395)	(26,395)	(27,088)	(27,088)
Housing Levy	(39,576)	(39,576)	(39,576)	(39,576)	(39,576)	(39,576)	(39,576)
South Lake Union Fund	(2,960)	(2,960)	(2,960)	(2,960)	(2,960)	(2,960)	(2,960)
REACH Trust Fund	(927)	(927)	(927)	(927)	(927)	(927)	(927)
Bonus Program Fundings	(16,693)	(10,813)	(16,693)	(6,500)	(2,300)	(2,300)	-
Reserved for Bridge and A&O Loans				(10,193)	(11,194)	(7,952)	(2,203)
<b>Total Reserves</b>	<b>(86,550)</b>	<b>(74,790)</b>	<b>(86,550)</b>	<b>(86,550)</b>	<b>(83,351)</b>	<b>(80,802)</b>	<b>(72,753)</b>
<b>Ending Unreserved Fund Balance</b>	<b>1,032</b>	<b>-</b>	<b>1,032</b>	<b>1,032</b>	<b>4,231</b>	<b>4,231</b>	<b>4,231</b>

\* Does not include contingent bridge loan authority

## Fund Financial Plans

### Office of Housing Operating Fund (16600)

	2011 Actuals	2012 Adopted	2012 Revised	2013 Proposed	2014 Proposed	2015 Projected	2016 Projected
Beginning Fund Balance	702	1,118	1,703	1,760	1,288	396	11
<b>Total Beginning Fund Balance</b>	<b>702</b>	<b>1,118</b>	<b>1,703</b>	<b>1,760</b>	<b>1,288</b>	<b>396</b>	<b>11</b>
<b>Revenues</b>							
State & Federal Weatherization Grants	574	798	798	1,027	1,034	1,034	1,034
HOME Administration	457	407	407	261	261	261	261
Parking Lot Rents	27	27	27	27	27	27	27
Grants and Other	99	-	-	-	-	-	-
Multi-Family Tax Exemption Administration	344	73	80	80	80	80	80
Bonus Program Administration	330	1,001	792	278	0	0	0
City Light Administration	673	690	690	711	732	754	777
Property Tax Levy	1,938	1,656	1,656	1,810	1,810	1,810	1,810
Challenge Grant	0	0	66	66	66	-	-
Prior Year Savings	0	415	-	-	-	-	-
General Subfund Support	505	39	-	-	-	486	983
<b>Total Revenues</b>	<b>4,946</b>	<b>5,108</b>	<b>4,516</b>	<b>4,260</b>	<b>4,009</b>	<b>4,452</b>	<b>4,971</b>
<b>Expenditures</b>							
Administration and Management - 16600	(1,310)	(1,332)	(1,332)	(1,591)	(1,647)	(1,697)	(1,748)
Community Development - 16600	(500)	(551)	(551)	(544)	(563)	(522)	(538)
Homeownership and Sustainability - 16600	(1,019)	(1,308)	(1,308)	(1,341)	(1,387)	(1,338)	(1,379)
Multi-Family Production & Preservation - 16600	(1,116)	(1,267)	(1,267)	(1,257)	(1,303)	(1,280)	(1,318)
<b>Total Expenditures</b>	<b>(3,946)</b>	<b>(4,459)</b>	<b>(4,459)</b>	<b>(4,733)</b>	<b>(4,901)</b>	<b>(4,837)</b>	<b>(4,982)</b>
<b>Ending Fund Balance</b>	<b>1,703</b>	<b>1,767</b>	<b>1,760</b>	<b>1,288</b>	<b>396</b>	<b>11</b>	<b>-</b>
<b>Reserves</b>							
Underexpended Levy	(1,156)	(1,484)	(1,552)	(1,146)	(299)	(11)	
Grant Funding	(67)	(42)	(108)	(42)			
MFTE Administration Reserves	(254)	(141)					
Revenue Stabilization Reserve	(100)	(100)	(100)	(86)	(86)		
<b>Total Reserves</b>	<b>(1,577)</b>	<b>(1,767)</b>	<b>(1,760)</b>	<b>(1,274)</b>	<b>(385)</b>	<b>(11)</b>	<b>-</b>
<b>Ending Unreserved Fund Balance</b>	<b>126</b>	<b>-</b>	<b>-</b>	<b>14</b>	<b>11</b>	<b>-</b>	<b>-</b>

## Fund Financial Plans

### 2004 Families & Education Levy (17856)

Amounts in \$1,000s	2011 Actuals	2012 Adopted	2012 Revised	2013 Proposed	2014 Proposed	2015 Projected	2016 Projected
Beginning Fund Balance	15,184	13,731	14,232	1,400	1,400	1,400	1,400
Accounting Adjustments	(27)						
<b>Beginning Fund Balance</b>	<b>15,157</b>	<b>13,731</b>	<b>14,232</b>	<b>1,400</b>	<b>1,400</b>	<b>1,400</b>	<b>1,400</b>
<b>Revenues</b>							
Property Tax	16,612	349	349				
Investment Earnings	136	269	269				
Unrealized Gains/Losses of Investments	9						
Medicaid Match Grant Revenue	202						
Supplemental Revenue-Medicaid Match			250				
<b>Total Revenues</b>	<b>16,959</b>	<b>618</b>	<b>868</b>	-	-	-	-
<b>Expenditures</b>							
Early Learning	(4,308)	(2,518)	(2,917)				
Family Support & Involvement	(2,622)	(2,096)	(2,541)				
Support for High Risk Youth	(1,284)	(902)	(1,100)				
Out of School Time	(3,030)	(1,991)	(2,012)				
Student Health	(4,353)	(2,776)	(2,776)				
Crossing Guards	(149)						
Administration & Evaluation	(804)	(506)	(784)				
Middle School Support	(1,336)	(991)	(1,169)				
Academic Improvement		(150)	(150)				
Revenue Backed Contracts-Medicaid Match Grant			(250)				
Q1 Supplemental-Medicaid Match							
<b>Total Expenditures</b>	<b>(17,884)</b>	<b>(11,931)</b>	<b>(13,699)</b>	-	-	-	-
<b>Ending Fund Balance</b>	<b>14,232</b>	<b>2,418</b>	<b>1,400</b>	<b>1,400</b>	<b>1,400</b>	<b>1,400</b>	<b>1,400</b>
<b>Reserves</b>							
Encumbrances	(662)	(662)					
Continuing Projects	(2,401)	(1,756)	(1,400)	(1,400)	(1,400)	(1,400)	(1,400)
Reserve for out-year project spending	(11,169)						
<b>Total Reserves</b>	<b>(14,232)</b>	<b>(2,418)</b>	<b>(1,400)</b>	<b>(1,400)</b>	<b>(1,400)</b>	<b>(1,400)</b>	<b>(1,400)</b>
<b>Ending Unreserved Fund Balance</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Notes:**

1) 2011 was the last year of tax collection for this 2004 Levy. Voters approved a new Levy in November 2011, and a new fund (17857) was created.

2) Encumbrance amounts = unspent balances on school-year contracts.

3) Continuing Projects refers to funding allocated to projects that are not encumbered. The 2013 continuing projects remaining balance (estimated at \$1.4 million) will be used to offset any revenue shortfalls at the conclusion of the Levy. Final actual revenue for the 2004 Levy is not yet known, as Fund 17856 will continue to collect delinquent property tax revenue beyond 2012.

4) 2012 revised expenditures are higher than 2012 Adopted amounts because prior year underspend that was carried forward into 2012 is being used to fund several projects that were not budgeted as part of the 2012 Adopted Budget. There may be some encumbrance balances that carry forward from 2012 into 2013, but these are not yet known and are therefore not reflected in this table.

## Fund Financial Plans

### 2011 Families & Education Levy (17857)

Amounts in \$1,000s	2011 Actuals	2012 Adopted	2012 Revised	2013 Proposed	2014 Proposed	2015 Projected	2016 Projected
Beginning Fund Balance	-	-	-	24,383	32,571	36,878	38,777
Accounting Adjustments							
<b>Beginning Fund Balance</b>	-	-	-	24,383	32,571	36,878	38,777
<b>Revenues</b>							
Property Tax		31,659	31,659	32,195	32,565	32,917	33,257
Investment Earnings		264	264	573	682	908	895
<b>Total Revenues</b>	-	31,923	31,923	32,769	33,248	33,825	34,152
<b>Expenditures</b>							
Early Learning		(1,706)	(1,706)	(5,765)	(7,249)	(8,178)	(9,154)
Elementary		(1,394)	(1,394)	(4,610)	(5,759)	(6,965)	(8,234)
Middle Schools		(1,421)	(1,421)	(4,695)	(5,657)	(6,214)	(6,694)
High Schools		(831)	(831)	(2,547)	(2,605)	(2,719)	(2,946)
Health		(1,711)	(1,711)	(5,509)	(6,187)	(6,336)	(6,494)
Administration		(409)	(409)	(1,254)	(1,283)	(1,314)	(1,346)
Evaluation		(67)	(67)	(200)	(200)	(200)	(200)
<b>Total Expenditures</b>	-	(7,540)	(7,540)	(24,581)	(28,941)	(31,926)	(35,069)
<b>Ending Fund Balance</b>	-	24,383	24,383	32,571	36,878	38,777	37,860
<b>Reserves</b>							
Encumbrances							
Reserve for out-year project spending*		(24,383)	(24,383)	(32,571)	(36,878)	(38,777)	(37,860)
<b>Total Reserves</b>	-	(24,383)	(24,383)	(32,571)	(36,878)	(38,777)	(37,860)
<b>Ending Unreserved Fund Balance</b>	-	0	0	-	-	-	-

**Notes:**

2012 Endorsed originally included a \$6,000,000 placeholder for the 2011 Families and Education Levy. This was removed during the 2012 budget process and replaced with the amounts noted above.

\* The 2011 Levy funding plan assumed excess revenue to be earned in the first year that would fund projects in the later years of the Levy.

## Fund Financial Plans

### Fire Facilities Levy (Fund 34440)

Amounts in \$1,000s	2011 Actuals	2012 Adopted	2012 Revised	2013 Proposed	2014 Projected	2015 Projected	2016 Projected
Beginning Fund Balance	24,467	32,083	33,042	23,614	11,770	4,353	98
Accounting & Technical Adjustments	-	-	-				
<b>Revised Beginning Fund Balance</b>	24,467	32,083	33,042	23,614	11,770	4,353	98
<b>Revenue</b>							
Real & Personal Property Tax <sup>1</sup>	11,737	7,659	7,881	-	-	-	-
Interest Earnings	235	115	118	-	-	-	-
Unrealized Gains/Losses-Inv GASB31	29	-	-	-	-	-	-
Parking Revenues and Reimbursement for Soil	-	-	-	-	-	-	-
Federal Capital Contribution/Grant-Direct	524	-	5,599	-	-	-	-
Property Sales (anticipated)	-	1,000	1,248	770	-	-	-
<b>Total Revenues</b>	12,524	8,774	14,846	770	-	-	-
<b>Expenditures</b>							
Neighborhood Stations	(3,358)	(28,101)	(16,203)	(12,537)	(7,417)	(4,254)	(98)
Support Facilities	-	-	-	-	-	-	-
Emergency Preparedness	-	-	-	-	-	-	-
Marine Program	(591)	(5,865)	(8,072)	(76)	-	-	-
<b>Total Expenditures</b>	(3,950)	(33,966)	(24,275)	(12,614)	(7,417)	(4,254)	(98)
<b>Ending Fund Balance</b>	33,042	6,891	23,614	11,770	4,353	98	0
<b>Reserves</b>							
Continuing Appropriation	(48,658)	(5,835)	(24,383)	(11,770)	-	-	-
Anticipated Future Appropriation	-	-	-	-	(4,353)	(98)	0
<b>Total Reserves</b>	(48,658)	(5,835)	(24,383)	(11,770)	(4,353)	(98)	0
<b>Ending Unreserved Fund Balance</b>	(15,616)	1,056	(770)	0	0	0	0

<sup>1</sup> Revenues from the Fire Facilities Levy end in 2012.

## Fund Financial Plans

### Seattle City Light (Fund 41000)

	2011	2012	2012	2013	2014	2015	2016
	Actuals	Adopted	Revised	Proposed	Proposed	Projected	Projected
<b>Beginning Cash Balance</b>	<b>197,133</b>	<b>303,937</b>	<b>374,598</b>	<b>306,744</b>	<b>331,189</b>	<b>298,758</b>	<b>306,359</b>
Carry Forward / Encumbrances / Adjustments	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
<b>Revised Beginning Cash Balance</b>	<b>197,133</b>	<b>303,937</b>	<b>374,598</b>	<b>306,744</b>	<b>331,189</b>	<b>298,758</b>	<b>306,359</b>
<b>Revenues</b>							
Retail Power Sales before Discounts	659,049	678,946	676,744	711,034	755,922	795,763	838,559
Revenue from RSA Surcharge	-	-	-	-	-	-	-
Wholesale Power, Net	98,450	60,471	51,018	90,000	85,000	85,000	75,000
Power Contracts	17,904	15,962	15,552	14,865	15,201	16,896	17,444
Power Marketing, Net	14,794	7,953	7,121	8,217	7,783	6,807	6,658
Other Outside Sources	33,058	34,512	34,512	29,988	30,766	29,988	30,756
Interest on Cash Accounts	5,582	5,378	5,540	7,628	9,215	13,604	16,134
Cash from (to) Rate Stabilization Account	-	41,619	-	-	-	-	-
Cash from Contributions	11,898	30,388	30,388	26,521	23,395	23,546	24,812
Cash from Bond Proceeds	153,726	212,762	153,726	212,762	235,530	217,765	162,983
<b>Total Revenues</b>	<b>994,460</b>	<b>1,087,990</b>	<b>974,600</b>	<b>1,101,014</b>	<b>1,162,812</b>	<b>1,189,371</b>	<b>1,172,346</b>
<b>Expenditures</b>							
Power Contracts	(258,108)	(266,099)	(264,735)	(269,038)	(276,575)	(280,848)	(287,540)
Production	(31,657)	(35,792)	(35,148)	(34,268)	(34,265)	(36,806)	(37,896)
Transmission	(8,855)	(9,659)	(9,659)	(11,278)	(10,617)	(10,494)	(10,804)
Distribution	(58,311)	(67,974)	(67,974)	(69,511)	(70,303)	(72,512)	(74,658)
Conservation	(3,744)	(11,572)	(11,572)	(4,814)	(4,869)	(5,022)	(5,170)
Customer Accounting	(29,061)	(30,601)	(30,601)	(36,230)	(36,643)	(37,794)	(38,913)
Administration	(58,740)	(64,926)	(64,926)	(69,807)	(70,602)	(72,820)	(74,975)
Rate Discounts	(6,949)	(7,011)	(8,508)	(9,057)	(9,606)	(10,908)	(12,269)
Uncollectable Accounts	(14,091)	(6,098)	(6,064)	(6,365)	(6,765)	(7,099)	(7,472)
Taxes and Franchise Payments	(73,613)	(78,044)	(77,359)	(81,315)	(86,206)	(90,191)	(93,804)
Debt Service	(142,080)	(172,815)	(169,612)	(172,844)	(189,643)	(205,551)	(216,414)
Capital Expenditures	(223,013)	(319,831)	(339,132)	(355,485)	(355,667)	(400,800)	(400,065)
Technical and Accounting Adjustments	91,228	(64,068)	42,835	43,446	(43,481)	49,074	128,751
<b>Total Expenditures</b>	<b>(816,994)</b>	<b>(1,134,489)</b>	<b>(1,042,455)</b>	<b>(1,076,569)</b>	<b>(1,195,243)</b>	<b>(1,181,771)</b>	<b>(1,131,228)</b>
<b>Ending Cash Balance</b>	<b>374,598</b>	<b>257,438</b>	<b>306,744</b>	<b>331,189</b>	<b>298,758</b>	<b>306,359</b>	<b>347,476</b>
<b>Reserves</b>							
Construction Account	(61,460)	-	-	(38,710)	-	-	-
Other Restricted Accounts	(16,237)	(28,027)	(37,257)	(73,733)	(94,309)	(127,383)	(157,444)
Operating Contingency Reserve	0	0	0	0	0	0	0
Rate Stabilization Account	(141,490)	(97,381)	(91,554)	(92,994)	(94,976)	(97,534)	(100,504)
	0	0	0	0	0	0	0
<b>Total Reserves</b>	<b>(219,187)</b>	<b>(125,408)</b>	<b>(128,810)</b>	<b>(205,437)</b>	<b>(189,285)</b>	<b>(224,917)</b>	<b>(257,948)</b>
	-	-	-	-	-	-	-
<b>Unreserved Ending Cash Balance</b>	<b>155,411</b>	<b>132,030</b>	<b>177,934</b>	<b>125,752</b>	<b>109,473</b>	<b>81,442</b>	<b>89,528</b>

# Fund Financial Plans

## Seattle City Light (Fund 41000)

(Cont'd)

The Financial Plan represents forecasted cash flows in the utility's Financial Planning Model used to evaluate City Light rate impacts, potential bond offerings, and the financial performance of the utility. The Financial Plan differs from the revenue and expenses shown in the 2013-2014 Proposed Budget in several ways, including:

Instead of restating published 2012 Adopted Budget figures, the 2012 Adopted column recalculates cashflow assumptions using the updated Financial Planning Model.

The Financial Plan shows Wholesale Revenue and Power Marketing Revenue as net of expenses, while the budget reflects the gross revenues and expenses of these functions.

The Financial Plan shows retail revenue as gross revenue, while the budget's Revenue Table shows retail revenue net of rate discounts to low-income customers.

The Financial Plan explicitly shows bond proceeds as a source of funds, while bond proceeds are embedded within the transfer line of the budget's Revenue Table.

The Financial Plan shows revenue from the Rate Stabilization Account (RSA) surcharge and transfer from/to the RSA, while the budget's Revenue Table shows revenues from the RSA surcharge only.

The Adopted 2012 Financial Plan projected 2012 net wholesale revenue based on the financial forecast as of 8/12/11, which was \$41.6 million lower than the RSA target amount of net wholesale revenue. Because of this shortfall, the 2012 Adopted Financial Plan projected \$4.2 million revenue from an RSA Surcharge in 2012. The 2012 Adopted Budget used the RSA target amount for net wholesale revenue (the Adopted 2012 Revenue Budget used the corresponding gross wholesale revenue amount which was \$63.1 higher than the 8/12/11 forecast), and assumed that there would be no RSA Surcharge revenue in 2012 and that the RSA cash balance would remain at the same level in 2012 as at 2011 year-end.

The Revised 2012 Financial Plan projects 2012 net wholesale revenue based on the financial forecast for the 2013/2014 rate proposal as of 7/5/2012, forecast version RRA\_2012\_Case03, that is \$51.1 million lower than the RSA target amount of net wholesale revenue used in the 2012 Adopted Budget. Despite this shortfall, no RSA surcharge is projected. This is because the Rate Stabilization Account began 2012 with a balance of \$141.5 million, large enough to absorb projected reductions in the RSA during 2012, as funds are transferred to Operating Cash each month, without letting the RSA fall to a level that would trigger a surcharge. The beginning RSA balance at the start of 2012 was \$141.5 million because \$40.5 million excess operating cash was transferred to the RSA at the end of 2011.

Financial Performance	2011 Actuals	2012 Adopted	2012 Revised	2013 Proposed	2014 Proposed	2015 Projected	2016 Projected
Average System Rate before Discounts (\$/MWh)	\$68.31	\$70.49	\$70.57	\$73.65	\$77.56	\$82.46	\$86.60
Rate Change from Prior Year (Systemwide)	4.3%	3.2%	3.2%	4.4%	5.6%	6.3%	5.0%
Retail Market Information							
Average Residential Monthly Bill (before discount)	\$53.39	\$54.97	\$55.09	\$57.46	\$60.47	\$63.96	\$67.11
Percentage Change	3.2%	2.8%	3.2%	4.3%	5.2%	5.8%	4.9%
Cash Financing of CIP							
In-Year Percentage	54%	33%	30%	25%	29%	27%	30%
2013-2018 Average Percentage	n/a	n/a	n/a	33%	33%	33%	33%
Debt Service Coverage	1.84	1.79	1.81	1.81	1.80	1.80	1.80

**Notes:**

The data source for 2011 Actuals for all Financial Performance indicators except for Debt Service Coverage is the forecast for the 2013/2014 rate proposal, forecast version RRA\_2012\_Case03.

Seattle City Light Annual Reports are the data sources for 2011 Actual Debt Service Coverage.

The Average Residential Monthly bill is reported as calculated in the financial forecast model Key Financial Indicators table, which assumes that average residential consumption is 710kWh.

# Fund Financial Plans

## Water Fund (Fund 43000)

Amounts in \$1,000s	2011	2012	2012	2013	2014	2015	2016
	Actuals	Adopted	Revised	Proposed	Proposed	Projected	Projected
<b>OPERATING CASH</b>							
<b>Beginning Operating Cash Balance</b>	<b>8,434</b>	<b>7,120</b>	<b>7,224</b>	<b>7,345</b>	<b>7,561</b>	<b>7,774</b>	<b>7,675</b>
<b>Sources</b>							
<b>Income Statement Items (in order of IS)</b>							
Retail Water Sales	137,382	152,537	150,344	159,858	172,826	170,860	178,076
Wholesale Water Sales	43,750	47,574	47,574	47,268	47,103	46,802	48,812
Facilities Charges	281	2,199	2,199	2,199	2,747	2,747	2,747
Water Service for Fire Protection	6,681	7,052	7,052	7,591	8,207	8,114	8,457
Tap Fees	2,873	3,038	3,038	3,325	3,617	3,662	3,708
Other Operating Revenues	2,082	1,994	1,988	2,038	2,089	2,141	2,195
Build America Bond Interest Income	2,135	2,135	2,135	2,135	2,135	2,135	2,135
Rentals--Non-City	520	415	415	425	436	447	458
Other Non-Operating Revenue	555	379	379	384	389	394	399
Capital Grants and Contributions	2,001	1,854	1,854	1,883	1,916	1,964	2,012
Operating Grants	435	0	0	0	0	0	0
Transfers from Construction Fund	39,166	30,114	30,490	25,033	24,980	38,954	26,419
Investment Income (See Construction Fund)	0	0	0	0	0	0	0
Public Works Loan Proceeds	0	0	0	0	0	0	0
Inventory Purchased by SDOT	689	755	750	775	790	822	855
Op Transfer In - Rev Stab Subfund	1,523	0	0	0	0	0	0
Op Transfer In - Rev Stab Subfund - BPA Acct	100	0	0	0	0	0	0
Call Center Reimbursement from SCL	1,510	1,685	1,685	1,657	1,690	1,758	1,828
GF Reimb Abandoned Vehicles	50	0	0	56	57	58	60
Reimbursement for NS activities	46	41	41	42	43	44	45
<b>Total Sources</b>	<b>241,781</b>	<b>251,773</b>	<b>249,944</b>	<b>254,671</b>	<b>269,025</b>	<b>280,902</b>	<b>278,204</b>
<b>Uses</b>							
<b>CIP</b>							
Distribution	(14,282)	(15,194)	(15,194)	(19,778)	(20,394)	(22,741)	(24,085)
Habitat Conservation Program	(9,608)	(4,913)	(4,913)	(2,507)	(2,491)	(2,030)	(1,927)
Shared Cost Projects	(7,503)	(14,641)	(14,641)	(15,795)	(19,403)	(18,513)	(13,418)
Technology	(3,632)	(5,358)	(5,358)	(9,174)	(8,596)	(6,355)	(5,933)
Transmission	(78)	(1,343)	(1,343)	(1,703)	(3,076)	(3,137)	(3,195)
Water Quality & Treatment	(15,576)	(6,613)	(6,613)	(3,334)	(5,304)	(4,775)	(326)
Water Resources	(3,302)	(5,616)	(5,616)	(6,683)	(8,212)	(17,590)	(14,287)
Watershed Stewardship	(797)	(1,828)	(1,828)	(3)	(2)	(2)	(2)
<b>CIP Subtotal</b>	<b>(54,777)</b>	<b>(55,506)</b>	<b>(55,506)</b>	<b>(58,977)</b>	<b>(67,477)</b>	<b>(75,142)</b>	<b>(63,174)</b>
<b>Accomplishment Rate Adjustment</b>		<b>8,326</b>	<b>8,326</b>	<b>8,847</b>	<b>10,122</b>	<b>11,271</b>	<b>9,476</b>
<b>O&amp;M</b>							
Administration	(8,185)	(8,743)	(8,810)	(9,564)	(10,903)	(11,339)	(11,793)
Customer Service	(8,862)	(10,010)	(10,010)	(10,160)	(10,369)	(10,783)	(11,215)
General Expense	(128,449)	(136,550)	(136,550)	(137,784)	(143,333)	(149,066)	(155,029)
Other Operating	(43,171)	(47,754)	(47,754)	(48,225)	(48,922)	(50,878)	(52,914)
<b>O&amp;M subtotal</b>	<b>(188,668)</b>	<b>(203,058)</b>	<b>(203,125)</b>	<b>(205,732)</b>	<b>(213,526)</b>	<b>(222,067)</b>	<b>(230,949)</b>
<b>Total Uses</b>	<b>(243,445)</b>	<b>(250,238)</b>	<b>(250,305)</b>	<b>(255,863)</b>	<b>(270,881)</b>	<b>(285,937)</b>	<b>(284,648)</b>
<b>Adjustments</b>	454	(1,219)	482	1,408	2,069	4,936	6,745
<b>Ending Operating Cash Balance</b>	<b>7,224</b>	<b>7,435</b>	<b>7,345</b>	<b>7,561</b>	<b>7,774</b>	<b>7,675</b>	<b>7,977</b>

# Fund Financial Plans

## Drainage and Wastewater Fund (Fund 44010)

Amounts in \$1,000s	2011 Actuals	2012 Adopted	2012 Revised	2013 Proposed	2014 Proposed	2015 Projected	2016 Projected
<b>OPERATING CASH</b>							
<b>Beginning Operating Cash Balance</b>	<b>29,483</b>	<b>21,285</b>	<b>29,483</b>	<b>24,300</b>	<b>16,249</b>	<b>11,305</b>	<b>11,247</b>
<b>Sources</b>							
Wastewater Utility Services	206,644	211,886	209,113	228,359	226,369	224,617	230,183
Drainage Utility Services	67,580	75,129	74,947	80,644	88,704	97,366	108,894
Side Sewer Permit Fees	1,030	905	1,030	1,030	1,030	1,030	1,030
Drainage Permit Fees	248	214	248	248	248	248	248
Other Operating Revenues	86	53	88	91	94	97	101
GIS CGDB Corporate Support (N2408 and N2418)	1,590	1,171	1,171	1,111	1,138	1,184	1,231
GIS Maps & Publications (N2409 and 2419)	10	158	158	158	158	158	158
Parks & Other City Depts. (N4405)	73	511	511	511	511	511	511
SCL Fund (N4403)	719	339	339	339	339	339	339
SCL for ReLeaf	0	80	0	133	136	141	147
SDOT Fund (N4404)	2,457	3,571	3,571	1,969	1,993	2,038	2,085
GF - Various GIS & Eng Svcs (N4303 & N2418)	0	1,205	0	1,105	1,129	1,174	1,221
Investment Income (see Construction Fund)	0	0	0	0	0	0	0
Capital Grants & Contributions (excl. donated assets)	7,476	4,525	2,850	1,850	1,850	1,850	1,850
Operating Grants	2,310	315	841	841	841	841	841
Call Center Reimbursement from SCL	1,671	1,689	1,621	1,608	1,640	1,706	1,774
GF - Transfer In -- Restore Our Waters	0	0	0	0	0	0	0
Transfer from Construction Fund <sup>2</sup>	44,321	69,860	45,954	61,349	63,477	53,827	57,446
GF Reimbursement of Abandoned Vehicles	53	0	0	0	0	0	0
Build America Bond Interest Income	1,886	1,886	1,886	1,886	1,886	1,886	1,886
Technical Adjustments	0	0	0	0	0	0	0
<b>Total Sources</b>	<b>338,154</b>	<b>373,498</b>	<b>344,327</b>	<b>383,230</b>	<b>391,544</b>	<b>389,013</b>	<b>409,945</b>
<b>Uses</b>							
<b>CIP</b>							
Combined Sewer Overflow	(15,328)	(26,888)	(26,888)	(43,834)	(49,202)	(36,144)	(44,210)
Flooding, Sewer Back-up, and Landslides	(15,419)	(24,186)	(24,186)	(16,710)	(17,201)	(7,173)	(16,360)
Protection of Beneficial Uses	(3,379)	(4,800)	(4,800)	(5,108)	(5,142)	(4,323)	(5,222)
Rehabilitation	(8,878)	(12,623)	(12,623)	(9,190)	(8,770)	(9,950)	(12,850)
Sediments	(7,606)	(5,595)	(5,595)	(1,679)	(2,050)	(1,561)	(797)
Shared Cost Projects	(7,995)	(14,931)	(14,931)	(10,728)	(11,395)	(8,179)	(12,873)
Technology	(3,229)	(4,815)	(4,815)	(8,880)	(7,613)	(5,154)	(4,720)
<b>CIP Subtotal</b>	<b>(61,834)</b>	<b>(93,838)</b>	<b>(93,838)</b>	<b>(96,131)</b>	<b>(101,373)</b>	<b>(72,484)</b>	<b>(97,032)</b>
<b>Accomplishment Rate Adjustment</b>		9,384	9,384	14,420	10,137	7,248	9,703
<b>O&amp;M</b>							
General Expense	(212,847)	(219,634)	(219,634)	(238,079)	(240,739)	(250,368)	(260,383)
Administration	(4,687)	(5,594)	(5,632)	(5,136)	(6,248)	(6,498)	(6,758)
Customer Service	(6,202)	(7,426)	(7,426)	(7,350)	(7,507)	(7,807)	(8,119)
Other Operating	(46,402)	(51,117)	(51,117)	(53,671)	(54,825)	(57,018)	(59,299)
<b>O&amp;M Subtotal</b>	<b>(270,138)</b>	<b>(283,771)</b>	<b>(283,809)</b>	<b>(304,237)</b>	<b>(309,319)</b>	<b>(321,692)</b>	<b>(334,560)</b>
<b>Total Uses</b>	<b>(331,972)</b>	<b>(368,225)</b>	<b>(368,263)</b>	<b>(385,948)</b>	<b>(400,555)</b>	<b>(386,928)</b>	<b>(421,888)</b>
<b>Adjustments</b>	<b>(6,182)</b>	<b>(15,858)</b>	<b>18,752</b>	<b>(5,333)</b>	<b>4,067</b>	<b>(2,143)</b>	<b>11,869</b>
<b>Ending Operating Cash Balance</b>	<b>29,483</b>	<b>10,700</b>	<b>24,300</b>	<b>16,249</b>	<b>11,305</b>	<b>11,247</b>	<b>11,173</b>

## Fund Financial Plans

### Solid Waste Fund (Fund 45010)

Amounts in \$1,000s	2011	2012	2012	2013	2014	2015	2016
	Actuals	Adopted	Revised	Proposed	Proposed	Projected	Projected
<b>OPERATING CASH</b>							
<b>Beginning Operating Cash Balance</b>	<b>10,252</b>	<b>8,203</b>	<b>18,533</b>	<b>14,021</b>	<b>20,924</b>	<b>21,688</b>	<b>17,672</b>
<b>Sources</b>							
Other Nonoperating Revenue	0	0	367	451	467	398	370
Transfer Fee - Out City	0	0	0	1,529	1,736	1,736	1,736
Operating Fees, Contributions and Grants	718	0	700	350	350	350	350
Residential Services	91,473	97,734	99,721	103,958	106,649	109,161	111,057
Commercial Services	46,693	46,933	48,231	49,377	50,091	50,614	50,934
Recycling and Disposal Station Charges	9,073	11,944	11,340	10,888	10,454	9,876	9,333
Comm'l Disposal (Longhaul) Charges	340	471	471	487	501	513	523
Other Operating Revenue	0	2	306	34	47	59	69
Recovery Fees/Yellow Pages	56	234	56	56	56	56	56
Landfill Closure Fee	0	0	0	0	0	0	0
Transfer Fee - In City	0	4,670	4,589	3,454	3,754	3,758	3,624
General Subfund - Operating Transfer In	0	0	0	0	0	0	0
Transfers from Construction Fund	44,048	16,946	13,958	10,686	32,038	28,389	21,238
GSF - Transfer In - Aband'd Vehicle Calls	40	0	0	0	0	0	0
KC Reimb for Local Hzrd Waste Mgt Prgm	2,625	2,418	2,625	2,625	2,625	2,625	2,625
Call Center Reimbursement from SCL	1,365	1,671	1,671	1,608	1,640	1,706	1,774
Recycling Processing Revenues	4,661	2,000	3,000	2,540	2,540	2,540	2,540
<b>Total Sources</b>	<b>201,091</b>	<b>185,023</b>	<b>187,036</b>	<b>188,043</b>	<b>212,947</b>	<b>211,783</b>	<b>206,228</b>
<b>Uses</b>							
<b>CIP</b>							
New Facilities	(40,891)	(13,845)	(13,845)	(8,888)	(32,077)	(35,162)	(23,012)
Rehabilitation and Heavy Equipment	(244)	(397)	(397)	(80)	(45)	(145)	(145)
Shared Cost Projects	(1,037)	(2,536)	(2,536)	(2,179)	(2,357)	(1,492)	(2,207)
Technology	(1,165)	(1,665)	(1,665)	(5,612)	(4,892)	(2,316)	(2,042)
<b>CIP Subtotal</b>	<b>(43,337)</b>	<b>(18,443)</b>	<b>(18,443)</b>	<b>(16,760)</b>	<b>(39,370)</b>	<b>(39,116)</b>	<b>(27,407)</b>
<b>Accomplishment Adjustment</b>	0	1,844	1,844	1,676	3,937	3,912	2,741
<b>O&amp;M</b>							
Administration	(4,521)	(5,180)	(5,201)	(4,536)	(5,023)	(5,224)	(5,433)
Customer Service	(10,890)	(13,310)	(13,310)	(12,969)	(13,146)	(13,671)	(14,218)
General Expense	(122,205)	(129,668)	(129,668)	(133,937)	(136,963)	(142,442)	(148,140)
Other Operating	(13,690)	(16,464)	(16,464)	(16,642)	(17,088)	(17,772)	(18,482)
<b>O&amp;M Subtotal</b>	<b>(151,306)</b>	<b>(164,622)</b>	<b>(164,643)</b>	<b>(168,083)</b>	<b>(172,220)</b>	<b>(179,109)</b>	<b>(186,273)</b>
<b>Total Uses</b>	<b>(194,643)</b>	<b>(181,221)</b>	<b>(181,242)</b>	<b>(183,168)</b>	<b>(207,653)</b>	<b>(214,313)</b>	<b>(210,939)</b>
<b>Adjustments</b>	1,833	(4,479)	(10,306)	2,027	(4,529)	(1,486)	2,803
<b>Ending Operating Cash Balance</b>	<b>18,533</b>	<b>7,526</b>	<b>14,021</b>	<b>20,924</b>	<b>21,688</b>	<b>17,672</b>	<b>15,764</b>

## Fund Financial Plans

### Pacific Parking Garage (Fund 46010)

Amounts in \$1,000s	2011 Actuals	2012 Adopted	2012 Revised	2013 Proposed	2014 Proposed	2015 Projected
Beginning Fund Balance	(1,322)	(3,256)	(3,225)	(4,881)	(4,881)	(4,881)
Accounting Adjustments						
<b>Beginning Unreserved Fund Balance</b>	<b>(1,322)</b>	<b>(3,256)</b>	<b>(3,225)</b>	<b>(4,881)</b>	<b>(4,881)</b>	<b>(4,881)</b>
<b>Revenues</b>						
Parking Revenue	7,207	7,621	7,846	7,979	8,113	8,277
City Parking Tax	(712)	(781)	(804)	(818)	(831)	(848)
Sales Tax	(564)	(593)	(611)	(621)	(632)	(645)
Interest earning and Other	6	6	6	6	6	6
General Subfund Support	0	0	0	2,813	2,032	2,083
<b>Total Revenues</b>	<b>5,937</b>	<b>6,253</b>	<b>6,437</b>	<b>9,359</b>	<b>8,688</b>	<b>8,873</b>
<b>Expenditures</b>						
AMPCO System Parking	(1,835)	(1,780)	(1,780)	(2,140)	(2,195)	(2,251)
B&O Tax	(41)	(43)	(43)	(44)	(45)	(47)
Condominium fees	(487)	(549)	(549)	(566)	(583)	(601)
Other	(290)	(369)	(369)	(1,087)	(267)	(209)
Debt Service	(5,187)	(5,352)	(5,352)	(5,522)	(5,597)	(5,765)
<b>Total Expenditures</b>	<b>(7,840)</b>	<b>(8,093)</b>	<b>(8,093)</b>	<b>(9,359)</b>	<b>(8,688)</b>	<b>(8,873)</b>
<b>Ending Fund Balance</b>	<b>(3,225)</b>	<b>(5,096)</b>	<b>(4,881)</b>	<b>(4,881)</b>	<b>(4,881)</b>	<b>(4,881)</b>

# Fund Financial Plans

## Finance and Administrative Services (Fund 50300)

Amounts in \$1,000s	2011	2012	2012	2013	2014	2015	2016
	Actuals	Adopted	Revised	Proposed	Proposed	Projected	Projected
Beginning Fund Balance	12,186	19,610	19,610	13,154	9,502	5,922	2,121
Accounting Adjustments							
<b>Beginning Unreserved Fund Balance</b>	<b>12,186</b>	<b>19,610</b>	<b>19,610</b>	<b>13,154</b>	<b>9,502</b>	<b>5,922</b>	<b>2,121</b>
<b>Revenues</b>							
External - Revenue and Consumer Affairs	1,399	1,450	1,671	2,221	2,303	2,303	2,303
External - Animal Shelter	1,785	1,279	1,279	1,725	1,715	1,715	1,715
External - Facilities	2,377	2,192	2,192	2,322	2,322	2,415	2,511
External - Fleets	3,731	956	873	0	-	-	-
External - Other Misc	643	671.94	672	955	930	930	930
External - Parking	1,718	2,091	2,091	1,803	1,803	1,803	1,803
Grants	789		-	0	-	-	-
Interest	264	280	280	184	184	184	184
Interfund - Facilities	56,840	57,754	57,754	58,939	59,534	61,916	64,392
Interfund - Fleet	40,070	44,271	44,271	46,154	46,327	48,180	50,107
Interfund - Other Misc	(7)	25	25	53	55	57	59
Interfund - Parking	585	698	698	726	786	786	786
Interfund_Capital Development and Construction Management	2,841	3,486	3,486	3,858	3,989	4,148	4,314
Interfund - Risk Management	1,353	1,397	1,397	1,489	1,537	1,599	1,663
Interfund - Economics & Fiscal Management	1,640	1,846	1,988	1,987	2,053	2,135	2,220
Interfund - Financial Services	10,969	12,156	12,156	12,259	12,646	13,152	13,678
Interfund - Business Technology	8,757	8,413	8,413	9,197	10,854	11,289	11,740
Interfund - Revenue & Consumer Affairs	1,281	1,257.022	1,357	1,583	1,638	1,703	1,771
Interfund - Contracting & Purchasing Services	2,893	3,234	3,314	4,310	4,460	4,638	4,824
Interfund - Animal Shelter	2,087	2,265	2,265	2,045	2,180	2,267	2,358
Interfund - Office of Constituent Services	1,348	2,549	2,594	2,738	2,876	2,991	3,111
Interfund -Capital Improvements (CIP subfund 50390)**		3,500	3,500	3,500	3,500	3,500	3,500
<b>Total Revenues</b>	<b>143,365</b>	<b>151,771</b>	<b>152,277</b>	<b>158,046</b>	<b>161,690</b>	<b>167,708</b>	<b>173,968</b>
<b>Expenditures</b>							
Budget and Central Services	(3,779)	(3,931)	(3,931)	(4,436)	(4,525)	(4,706)	(4,894)
Facility Operations	(61,951)	(65,819)	(66,343)	(64,720)	(65,253)	(67,863)	(70,578)
Fleet Services	(35,441)	(45,705)	(45,705)	(47,307)	(47,658)	(49,564)	(51,547)
Judgment and Claims	(362)	(362)	(362)	(191)	(223)	0	0
Capital Development and Construction Mgmt	(2,619)	(2,945)	(2,945)	(3,075)	(3,162)	(3,289)	(3,420)
Financial Services	(12,115)	(13,239)	(13,651)	(13,832)	(14,238)	(14,808)	(15,400)
Business Technology	(9,926)	(10,270)	(10,121)	(11,214)	(12,856)	(13,370)	(13,905)
Revenue and Consumer Affairs	(2,306)	(2,348)	(2,670)	(3,377)	(3,492)	(3,632)	(3,777)
City Purchasing and Contracting Services	(2,754)	(3,005)	(3,105)	(4,033)	(4,159)	(4,326)	(4,499)
Seattle Animal Shelter	(2,973)	(3,038)	(3,038)	(3,256)	(3,349)	(3,483)	(3,623)
Office of Constituent Services	(1,003)	(2,842)	(2,887)	(2,756)	(2,854)	(2,968)	(3,087)
Interfund transfers - Depts							
Interfund transfers - GF							
Capital Improvements (CIP subfund 50390)**		(3,500)	(3,500)	(3,500)	(3,500)	(3,500)	(3,500)
<b>Total Expenditures</b>	<b>(135,229)</b>	<b>(157,004)</b>	<b>(158,258)</b>	<b>(161,697)</b>	<b>(165,270)</b>	<b>(171,509)</b>	<b>(178,229)</b>
			(154,758)				
<b>Ending Fund Balance</b>	<b>20,322</b>	<b>14,377</b>	<b>13,629</b>	<b>9,502.33</b>	<b>5,921.524</b>	<b>2,121</b>	<b>(2,140)</b>

## Fund Financial Plans

Amounts in \$1,000s	2011 Actuals	2012 Adopted	2012 Revised	2013 Proposed	2014 Proposed	2015 Projected	2016 Projected
<b>Reserves</b>							
Continuing Appropriations							
Working Capital - Fleets	(712)	(475)	(475)				
Working Capital - Operations							
Working Capital - Financial and Technical Services							
Working Capital - Animal Shelter							
Working Capital - Constituent Services							
<b>Total Reserves</b>	(712)	(475)	(475)	0	0	0	0
<b><i>Ending Unreserved Fund Balance</i></b>	19,610	13,902	13,154	9,502	5,922	2,121	(2,140)

Notes:

\*\*Budget authority is appropriated in the CIP (A1GM1)

Includes Funds 50310, 50320, 50330, 50345, 50355, 50365

2012 Adopted Fund balance does not include non-spendable amounts of total fund balance.

# Fund Financial Plans

## Information Technology Fund (50410)

Amounts in \$1,000s	2011 Actuals	2012 Adopted	2012 Revised <sup>1,5</sup>	2013 Proposed	2014 Proposed	2015 Projected <sup>6</sup>	2016 Projected <sup>6</sup>
Beginning Fund Balance	36,000	12,458	23,639	19,464	17,208	18,022	18,905
Accounting Adjustments	(19,457)						
<b>Beginning Unreserved Fund Balance</b>	<b>16,544</b>	<b>12,458</b>	<b>23,639</b>	<b>19,464</b>	<b>17,208</b>	<b>18,022</b>	<b>18,905</b>
<b>Revenues</b>							
Grant Revenues	852		1,452				
Cable Fund Revenues	7,543	7,991	7,991	8,352	8,574	8,500	8,550
Non-City Agency Revenues	2,076	1,547	1,547	431	440	458	476
City Agency Revenues (non GF)	21,113	17,830	17,785	18,207	18,420	21,521	22,177
City Agency Revenues (GF)	14,162	17,932	17,932	19,051	19,787	21,782	22,430
Sources to be Specified/Projects/Rate Billings	591	4,801	5,836	4,943	5,085	6,444	7,120
Interest Earnings	221						
Other <sup>2,3</sup>	7,688	(45)					
Bond Proceeds <sup>4</sup>				2,625	35,635	3,800	563
<b>Total Revenues</b>	<b>54,247</b>	<b>50,056</b>	<b>52,542</b>	<b>53,609</b>	<b>87,942</b>	<b>62,506</b>	<b>61,316</b>
<b>Expenditures</b>							
Finance & Administration BCL	(3,910)	(4,598)	(4,624)	(10,713)	(39,053)	(12,754)	(10,513)
Technology Leadership & Governance BCL	(2,080)	(1,972)	(1,972)	(2,021)	(2,066)	(2,149)	(2,235)
Technology Infrastructure BCL	(31,759)	(32,092)	(39,228)	(35,901)	(38,616)	(39,444)	(40,634)
Office of Electronic Communications BCL	(6,272)	(7,248)	(7,651)	(7,230)	(7,392)	(7,276)	(7,276)
Debt Service	(3,131)	(3,242)	(3,242)				
<b>Total Expenditures</b>	<b>(47,151)</b>	<b>(49,151)</b>	<b>(56,717)</b>	<b>(55,865)</b>	<b>(87,128)</b>	<b>(61,623)</b>	<b>(60,659)</b>
<b>Ending Fund Balance</b>	<b>23,639</b>	<b>13,362</b>	<b>19,464</b>	<b>17,208</b>	<b>18,022</b>	<b>18,905</b>	<b>19,563</b>
<b>Reserves</b>							
Continuing appropriation and Encumbrances	(1,180)						
Petty Cash, Inventories, and Prepaid Expenses							
Radio and Video Reserves	(11,398)	(8,583)	(8,335)	(9,630)	(10,716)	(11,776)	(12,833)
Rebates	(626)		(926)				
Cash Float	(3,939)	(3,764)	(5,720)	(4,062)	(3,344)	(4,163)	(4,299)
<b>Total Reserves</b>	<b>(17,143)</b>	<b>(12,348)</b>	<b>(14,981)</b>	<b>(13,692)</b>	<b>(14,060)</b>	<b>(15,938)</b>	<b>(17,132)</b>
<b>Ending Unreserved Fund Balance</b>	<b>6,496</b>	<b>1,015</b>	<b>4,483</b>	<b>3,516</b>	<b>3,963</b>	<b>2,967</b>	<b>2,431</b>

<sup>1</sup> Supplementals and Abandonments are incorporated into the expenditures lines in the following amounts:

2012 -- 3Q Abandonments : (\$200,445)

<sup>2</sup> Anticipated customer rebates

<sup>3</sup> One Time Revenues of \$7.7 mill in 2011 from Nextel associated with 800Mhz Radio Rebanding Project

<sup>4</sup> Bond funding for CIP

<sup>5</sup> Includes carry forward/encumbrances in expenditure lines

<sup>6</sup> Assumes 4% growth adjusted for one time revenues or expenditures

## Fund Financial Plans

### Fire Pension Fund (Fund 60200)

Amounts in \$1,000s	2011 Actuals	2012 Adopted	2012 Revised	2013 Proposed	2014 Proposed	2015 Projected	2016 Projected
Beginning Fund Balance	11,430	10,451	10,876	11,011	10,674	10,337	10,436
Accounting Adjustments							
<b>Revised Beginning Fund Balance</b>	<b>11,430</b>	<b>10,451</b>	<b>10,876</b>	<b>11,011</b>	<b>10,673</b>	<b>10,337</b>	<b>10,435</b>
<b>Revenues</b>							
General Subfund	17,759	18,875	18,875	18,273	18,060	18,870	19,254
Fire Insurance Premium Tax	906	939	939	985	1,010	1,030	1,051
Medicare Rx Subsidy Refund	351		346	325	325	325	325
Actuarial Account Interest	85		67	96	98	99	99
<b>Total Revenues</b>	<b>19,101</b>	<b>19,814</b>	<b>20,227</b>	<b>19,679</b>	<b>19,493</b>	<b>20,324</b>	<b>20,729</b>
<b>Expenditures</b>							
Death Benefits	(11)	(15)	(15)	(15)	(15)	(15)	(15)
Medical Benefits Paid	(10,192)	(10,700)	(10,700)	(10,700)	(10,700)	(10,914)	(11,132)
Pension Benefits Paid	(8,890)	(8,889)	(8,889)	(8,700)	(8,500)	(8,670)	(8,844)
Administration	(562)	(585)	(488)	(602)	(614)	(627)	(639)
Transfer to Actuarial Account	-	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>(19,655)</b>	<b>(20,189)</b>	<b>(20,092)</b>	<b>(20,017)</b>	<b>(19,829)</b>	<b>(20,226)</b>	<b>(20,630)</b>
<b>Ending Fund Balance</b>	<b>10,876</b>	<b>10,077</b>	<b>11,011</b>	<b>10,673</b>	<b>10,337</b>	<b>10,435</b>	<b>10,534</b>
<b>Reserves</b>							
Contingency Reserve	(500)	(500)	(500)	(500)	(500)	(500)	(500)
Actuarial Account	(9,576)	(9,577)	(9,643)	(9,740)	(9,837)	(9,935)	(10,034)
Rate Stabilization Reserve			(868)	(433)	-		
<b>Total Reserves</b>	<b>(10,076)</b>	<b>(10,077)</b>	<b>(11,011)</b>	<b>(10,673)</b>	<b>(10,337)</b>	<b>(10,435)</b>	<b>(10,534)</b>
<b>Ending Unreserved Fund Balance</b>	<b>800</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(0)</b>

Notes: The Firefighters' Pension Fund is composed of a Contingency Reserve and the Actuarial Account Balance. City Financial Policy specifies a target fund balance of \$500,000 in the Contingency Reserve. The 2013 Proposed Budget included legislation that would continue the suspension of transfers into the Actuarial Account for 2013 and 2014. Prior to the 2013 Proposed Budget, these two fund reserves were not shown separately.

## Fund Financial Plans

### Police Pension Fund (Fund 60400)

Amounts in \$1,000s	2011 Actuals	2012 Adopted	2012 Revised	2013 Proposed	2014 Proposed	2015 Projected	2016 Projected
Beginning Fund Balance	1,105	2,621	3,746	1,868	1,184	500	500
Accounting & Technical Adjustments	-	-	-	-	-	-	-
<b>Beginning Unreserved Fund Balance</b>	<b>1,105</b>	<b>2,621</b>	<b>3,746</b>	<b>1,868</b>	<b>1,184</b>	<b>500</b>	<b>500</b>
<b>Revenues</b>							
General Subfund	22,252	21,312	20,187	18,987	18,558	19,627	20,019
Police Auction Proceeds	123	120	120	116	117	119	122
Miscellaneous	963						
<b>Total Revenues</b>	<b>23,338</b>	<b>21,432</b>	<b>20,307</b>	<b>19,103</b>	<b>18,675</b>	<b>19,746</b>	<b>20,141</b>
<b>Expenditures</b>							
Death Benefits	(16)	(15)	(15)	(15)	(15)	(15)	(15)
Medical Benefits Paid	(11,659)	(13,000)	(13,000)	(12,500)	(12,750)	(13,005)	(13,265)
Pension Benefits Paid	(8,548)	(8,634)	(8,634)	(6,715)	(6,020)	(6,140)	(6,263)
Administration	(473)	(536)	(536)	(557)	(574)	(586)	(597)
<b>Total Expenditures</b>	<b>(20,696)</b>	<b>(22,185)</b>	<b>(22,185)</b>	<b>(19,787)</b>	<b>(19,359)</b>	<b>(19,746)</b>	<b>(20,140)</b>
<b>Ending Fund Balance</b>	<b>3,746</b>	<b>1,868</b>	<b>1,868</b>	<b>1,184</b>	<b>500</b>	<b>500</b>	<b>500</b>
<b>Reserves</b>							
Contingency Reserve	(500)	(500)	(500)	(500)	(500)	(500)	(500)
Rate Stabilization Reserve		(1,368)	(1,368)	(684)			
<b>Total Reserves</b>	<b>(500)</b>	<b>(1,868)</b>	<b>(1,868)</b>	<b>(1,184)</b>	<b>(500)</b>	<b>(500)</b>	<b>(500)</b>
<b>Ending Unreserved Fund Balance</b>	<b>3,246</b>	<b>0</b>	<b>0</b>	<b>(0)</b>	<b>(1)</b>	<b>0</b>	<b>0</b>



### **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 customers.

## Cost Allocation

### Central Service Departments and Commissions - 2013-2014 Cost Allocation Factors

Central Service Department	Cost Allocation Factor
Office of Arts and Cultural Affairs	Negotiated MOA*
City Auditor	2010 and 2011 audit hours by department
Civil Service Commission	2007-2011 number of cases by department
Mayor's Office	100% General Fund or by MOA*
Office of Civil Rights	2010-2011 cases filed by department
Office of Intergovernmental Relations	Staff time and assignments by department
Office of Sustainability and Environment	2012 Work Plan
Department of Finance and Administrative Services and City Budget Office	Various factors and allocations. See Appendix B(1) and Appendix B(2) for details on services, rates, and methodologies.
Department of Information Technology	Various factors and allocations. See Appendix B(3) for details on services, rates, and methodologies.
Law Department	2009 hours by department for Civil Division; Public and Community Safety Division is charged 100% to the General Fund. Administration BCL is split between Civil and Criminal and allocated accordingly.
Legislative Department	City Clerk's Office based on number of Legislative items; Central Staff and Legislative Assistants on assignments; City Council 100% General Fund or by MOA.*
Department of Neighborhoods	Customer Service Bureau estimate by staff time.
Personnel Department	Various factors and allocations. See Appendix B(4) for details on services, factors, and methodologies.
State Examiner (State Auditor)	75% by Summit rows of data; 25% by 2011 authorized actual FTEs
Emergency Management	2011 actual expenditure dollar spread

\*Memorandum of Agreement (MOA) on charges

## Cost Allocation

### Department of Finance and Administrative Services Billing Methodologies – B(1)

Service Provider	Org	Service Provided	Billing Methodology	Billing Method
<b>Fleet Management Division</b>				
Vehicle Leasing	A2212	<ul style="list-style-type: none"> <li>• Vehicles owned by, and leased from, Fleet Services</li> <li>• Vehicles owned directly by Utility Departments</li> </ul>	<ul style="list-style-type: none"> <li>• Calculated rate per month based on lease-rate components for vehicle replacement, routine maintenance, and overhead.</li> <li>• Charge for overhead only as outlined in MOU with Utility.</li> </ul>	Fleets rates.
Motor Pool	A2213	Daily or hourly rental of City Motor Pool vehicles.	Actual vehicle usage by department per published rates. Rates vary by vehicle type and are based on time and mileage, with a set minimum and maximum daily charge.	Direct bill.
Vehicle Maintenance	A2221	<ul style="list-style-type: none"> <li>• Vehicle Maintenance labor.</li> <li>• Vehicle parts and supplies.</li> </ul>	<ul style="list-style-type: none"> <li>• Actual maintenance hours used for vehicle maintenance services not included in vehicle lease rate, billed at an hourly rate for all maintenance labor.</li> <li>• Actual vehicle parts and supplies used for vehicle maintenance services not included in vehicle lease rate, billed at cost plus a mark-up.</li> </ul>	Direct bill.
Vehicle Fuel	A2232	Vehicle fuel from City-operated fuel sites.	Actual price per gallon of fuel consumed plus per-gallon mark-up.	Direct bill.
<b>Facility Services</b>				
Property Management Services	A3322	Office & other building space.	Property Management Services for City-owned buildings.	Space rent rates.
Property Management Services	A3322	Leased spaces.	Service agreements with commercial tenants, building owners and/or affected departments.	Direct bill.
Real Estate Services	A3322	Real estate transactions including acquisitions, dispositions, appraisals, etc.	Applicable operating costs based on staff time per customer department.	Cost Allocation to Relevant Funds.
Facilities Maintenance	A3323	Crafts Services: Plumbing, carpentry, HVAC, electrical, painting.	<ul style="list-style-type: none"> <li>• Regular maintenance costs included in office space rent and provided as part of space rent.</li> <li>• Non-routine services charged directly to service user(s) at an hourly rate.</li> </ul>	Space rent rates; direct bill.
Janitorial Services	A3324	Janitorial services.	Janitorial services included in rate charges for the downtown core campus buildings.	Space rent rates.
Parking Services	A3340	Parking services.	Monthly parking costs for City vehicles are charged to department based on actual use. Hourly parking vouchers are sold to departments in advance of use, as requested. Vouchers for private tenants and personal vehicles of City staff are sold on monthly and hourly bases, as requested.	Direct bill; direct purchase
Warehousing Services	A3342	<ul style="list-style-type: none"> <li>• Surplus service</li> <li>• Records storage</li> <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 City Departments
Distribution Services	A3343	<ul style="list-style-type: none"> <li>• U.S. Mail delivery</li> <li>• Interoffice mail, special deliveries</li> </ul>	<ul style="list-style-type: none"> <li>• Sampling of pieces of mail delivered to client.</li> <li>• Volume, frequency, and distance of deliveries</li> </ul>	Cost Allocation to Departments and the General Fund

## Cost Allocation

Service Provider	Org	Service Provided	Billing Methodology	Billing Method
<b>Technical Services</b>				
Capital Development and Construction Management	A3311	<ul style="list-style-type: none"> <li>Project management</li> <li>Space planning and design</li> <li>Move coordination</li> </ul>	<ul style="list-style-type: none"> <li>Project management hours billed at prevailing hourly rate, determined by dividing division revenue requirement by annual forecast of project management billable hours.</li> </ul>	Direct bill
<b>Financial Services</b>				
Economics and Forecasting	A4501	City economic forecasting	Allocation to General Fund and Health Care Subfund.	Interfund transfer
Fiscal and Policy Management	A4502	City financial policy and planning	Allocation to General Fund and other applicable funds.	Interfund transfer
Debt Management	A4503	Debt financing for the City	Allocation based on historical number of bond sales	Cost Allocation to General Fund, SCL, SPU
Citywide Accounting/Payroll	A4511 A4512 A4513	<ul style="list-style-type: none"> <li>Citywide accounting services.</li> <li>Citywide payroll</li> </ul>	<ul style="list-style-type: none"> <li>Percent of staff time by department</li> <li>Percent of staff time per department, with Payroll and Pension time allocated to departments based on FTEs and retirement checks, respectively.</li> </ul>	Cost Allocation to Six Funds
Applications	A4522	Maintain and develop City business applications	Project and staff assignments.	Cost Allocation to Six Funds, DoIT and FAS.
Summit	A4523	Maintain and develop the City-wide financial management system	System data rows used by customer department.	Cost Allocation to Six Funds.
Human Resource Information System (HRIS)	A4524	Maintain and develop the City's personnel management system	Department share of total number of regular paychecks and retirement checks.	Cost Allocation to Six Funds
Consumer Protection	A4531	<ul style="list-style-type: none"> <li>Verify accuracy of commercial weighing and measuring devices</li> <li>Enforcement of taxicab, for-hire vehicle and limousine industries.</li> </ul>	100% fee supported.	External fees.
Regulatory Enforcement	A4536	Collection and enforcement of City taxes and license fees.	External fee revenue; General Fund support.	Interfund transfer
Business Licensing and Tax Administration	A4537 A4538	Administration, audit, and customer service for City tax codes and regulatory licenses	100% General Fund.	Interfund transfer
Contracting Services	A4541	<ul style="list-style-type: none"> <li>Provide contracting support and administration.</li> <li>Women and minority business development.</li> </ul>	<ul style="list-style-type: none"> <li>Percent share based on total number of awarded public works contracts Contract Awards (50%) and dollar amount of Contract Awards (50%).</li> <li>100% General Fund</li> </ul>	Cost Allocation to CIP Departments
Purchasing Services	A4542	Provide centralized procurement services and coordination	Percent share by department based on total number of Purchase Orders issued (50%) and Blanket Contract and Purchase Order spending (50%).	Cost Allocation to Six Funds
Treasury Operations	A4581	Bank reconciliation, Warrant issuance	Percent share by department based on staff time.	Cost Allocation to Six Funds
Investments	A4582	Investment of City funds	Percent share by department of annual investment earnings through the Citywide Investment Pool.	Cost Allocation to Six Funds
Remittance Processing	A4583	Processing of mail and electronic payments to Cash Receipt System	Percent share by department based on total number of weighted transactions.	Cost Allocation to General Fund, SCL, SPU
Parking Meter Collections	A4584	Collection of parking meter revenue	100% General Fund	Interfund Transfer
Risk Management Claims Processing	A4591 A4592	Claims processing; liability claims and property/casualty program management; loss prevention/control and	Percent share by department based on number of claims filed (50%) and amount of claims/settlements paid (50%) (five-year period).	Cost Allocation to Six Funds

## Cost Allocation

Service Provider	Org	Service Provided	Billing Methodology	Billing Method
		contract review		
<b>Seattle Animal Shelter</b>				
Seattle Animal Shelter	A5511 A5512	Animal care and animal control enforcement; spay and neuter services to the public.	External fees; General Fund.	Interfund transfer.
<b>Office of Constituent Services</b>				
Constituent Services	A6511	Service delivery and policy analysis, public disclosure response	Number of constituent contacts (inquiries, complaints, requests for service)	Cost Allocation to Six Funds
Customer Service Bureau	A6512	Provide information to constituents in response to inquiry or complaint	Number of constituent contacts (inquiries, complaints, requests for service)	Cost Allocation to Six Funds
Neighborhood Payment and Information Services	A6513	Payment and information services to residents (utility bills, pet licenses, traffic tickets, passports, City employment)	Percentage share by department of transaction type.	Interfund transfer

### Central Budget Office Cost Allocation Methodologies – B(2)

Service Provider	Org	Service Provided	Billing Methodology
<b>Central Budget Office</b>			
Central Budget Office	CZ615	City financial policies, planning, budget, and controls	Staff time and assignments

## Cost Allocation

### Department of Information Technology (DoIT) Cost Allocation Methodologies – B(3)

Program	Org	Allocation Formula	Departments Affected
Data Backbone	D3308	Percent of actual budget	Six funds
Internet Services	D3308	Percent of actual budget	Seven funds
Data Network Services	D3308	Billed on use of port and WiFi services: port connection charge for all central campus offices except SCL and SPL; WiFi charges for all departments	All departments except SPL
Enterprise Computing Services	D3301	Allocated to customer departments based on pages printed, number of operating systems, number of batch jobs, number of gigabytes, number of units of cabinet storage, number of physical servers, number of virtual servers, number of web applications, number of CPUs, and number of SharePoint site collections.  Citrix services billed based on number of Citrix accounts	All departments
Messaging, Collaboration, and Directory Services	D3302	Allocated to customer departments based on number of email addresses.  Mobile device (smart phones, etc.) support billed based on number of devices.	All departments except SPL
Technical Support Services (Desktops)	D3304	Allocated to customer departments based on number of desktops and printers	Participants
Service Desk	D3310	Allocated to customer departments based on number of email addresses	Participants
Telephone System Services	D3305	Core landline services allocated to customer departments based on number of extensions; misc. services and IVR/Call Center services funded based on usage/rates	Telephone Rates: All departments IVR: Participants
Cellular and Wireless Charges	D3305	Airtime and equipment charges for cell phones and wireless modems based on actual usage and billing from carriers.	Participants
Radio Network	D3306	Radio network access fee and reserves; monthly charge for pagers	Access fee: Participants Monthly lease charge: Participants
Communications Shop	D3307	Historical usage	Police, Fire, SPU, Seattle Center; other departments may select this service
Telecommunications Engineering & Project Management	D3311	Labor Rates	Optional
Citywide Web Team	D4401	Percent of actual budget	Six funds (including Cable Fund)
Community Technology	D4403	Cable Subfund	Constituents

## Cost Allocation

<b>Program</b>	<b>Org</b>	<b>Allocation Formula</b>	<b>Departments Affected</b>
Office of Cable Communications	D4402	Cable Subfund	Constituents
Seattle Channel	D4404	Cable Subfund	Constituents
Technology Leadership and Enterprise Planning	D2201	Percent of actual budget	Seven funds
Project Management Center of Excellence	D2201	Percent of actual budget	Seven funds
Project Management Project Support	D2201	Percent of actual budget	Seven funds
Department Management, including Vendor and Contract Management	D1101	Based on percent of each Fund's contribution to overall DoIT revenue recovery	Seven funds
GODA bond debt service and MS Office Licenses and Enterprise CALs, Office 365, Windows 7	D1102	Percent of actual budget: number of licenses	Six funds
Next Generation Data Center	D1101 & D1102	Percent of actual budget	Six funds
Electronic Records Management System	D1102	Percent of actual budget	Six funds

## Cost Allocation

### Personnel Department Cost Allocation Methodologies – B(4)

Service Provider	Org	Service Provided	Billing Methodology
Commercial Driver's Licenses	N1230	<ul style="list-style-type: none"> <li>• CDL administration</li> </ul>	# of CDLs by Department
Alternative Dispute Resolution	N1145	<ul style="list-style-type: none"> <li>• Mediation and facilitation</li> <li>• Conflict resolution training</li> </ul>	2012 Adopted Budget FTEs
Police and Fire Examinations	N1150	Administer exams for potential fire and police candidates	General Fund allocation and participant fees
Training Development and EEO (TDE)	N1160	<ul style="list-style-type: none"> <li>• Administer employee training and recognition programs</li> <li>• Consulting</li> </ul>	2012 Adopted Budget FTEs
Employment	N1190	<ul style="list-style-type: none"> <li>• Recruit for open positions</li> </ul> Provide policy guidance for Citywide personnel issues	2012 Adopted Budget FTEs
Benefit Administration	N1240	Administer Citywide health care insurance programs	2012 Adopted Budget FTEs
Director's Office	N1315	Provide policy guidance for Citywide personnel issues	2012 Adopted Budget FTEs
Information Management	N1360	Maintain Citywide personnel information	2012 Adopted Budget FTEs
Contingent Workforce Program	N1370	Administer temporary, work study, and intern programs	2012 Adopted Budget FTEs
Financial Services, Budget, Finance & Accounting	N1350	Provide finance, budget, and accounting and other internal services	2012 Adopted Budget FTEs
Classification and Compensation	N1430	<ul style="list-style-type: none"> <li>• Design and maintain classification and pay programs</li> <li>• Determine City position titles</li> </ul>	Number of Job Classifications
Labor Relations	N1440	<ul style="list-style-type: none"> <li>• Administer labor statutes</li> <li>• Negotiate and administer collective bargaining agreements and MOUs</li> </ul>	Number of Represented Positions
Deferred Compensation	N1220	Administer deferred compensation (457 Retirement Plan) for City employees.	Service fee charged to program participants.
Industrial Insurance (Safety and Workers' Compensation)	N1230, N1250, and N1350	Collaborate with the Washington State Department of Labor and Industries; manage medical claims, time loss, preventative care, and workplace safety programs.	Supported by the Industrial Insurance Subfund, billing is based on actual usage and pooled costs are based on three years of historical usage/data.

## Cost Allocation

### Central Service Cost Allocations by paying funds – Informational Only

These transfers reflect reimbursements for general government work performed on behalf of certain revenue generating departments.

	2012 Adopted	2013 Proposed	2014 Proposed
City Budget Office	855,504	1,444,032	1,486,618
Personnel	4,407,812	4,019,389	4,154,184
MISC	14,386,164	15,263,671	15,788,851
<b>Total Interfund Transfers</b>	<b>19,649,481</b>	<b>20,727,093</b>	<b>21,429,653</b>
<b>Interfund Transfers to City Budget Office (CBO)</b>			
Seattle City Light	304,040	375,448	386,521
Seattle Public Utilities	251,619	375,448	386,521
Seattle Department of Transportation	209,682	375,448	386,521
Department of Planning Development	69,195	173,284	178,394
Retirement	20,968	144,403	148,662
<b>Total Interfund Transfers to CBO</b>	<b>855,504</b>	<b>1,444,032</b>	<b>1,486,618</b>
<b>Intefund Transfers to Personnel</b>			
Seattle City Light	1,846,187	1,805,567	1,865,807
Seattle Public Utilities	1,366,722	1,204,417	1,244,516
Seattle Department of Transportation	823,401	685,110	708,343
Department of Planning Development	358,007	304,650	315,194
Retirement	13,496	19,645	20,324
<b>Total Interfund Transfers to Personnel</b>	<b>4,407,812</b>	<b>4,019,389</b>	<b>4,154,184</b>
<b>Miscellaneous Interfund Transfers</b>			
Seattle City Light	3,761,690	4,074,638	4,224,440
Seattle Public Utilities	3,596,184	4,367,980	4,520,159
Seattle Department of Transportation	4,320,975	4,095,791	4,228,187
Department of Planning Development	2,637,310	2,561,589	2,647,068
Retirement	70,005	163,674	168,996
<b>Total Miscellaneous Interfund Transfers</b>	<b>14,386,164</b>	<b>15,263,671</b>	<b>15,788,851</b>



## **Glossary:**

The glossary provides definitions of terms specific to governmental budgeting that are used throughout the budget book.

## Glossary

**Abrogate:** A request to eliminate a position. Once a position is abrogated, it cannot be administratively reinstated. If the body of work returns, a department must request new position authority from the City Council.

**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 and Administrative Services.

**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.

## Glossary

**Debt Service:** Annual principal and interest payments the City owes on money it has borrowed.

**Education and Developmental Services Levy (Families and Education Levy):** In September 2004, voters approved a new Families and Education Levy for \$116.7 million to be collected from 2005 through 2011. This is the third levy of this type, replacing ones approved in 1990 and 1997. Appropriations are made to various budget control levels grouped together in the Educational and Developmental Services section of the budget, and are overseen by the Department of Neighborhoods. Appropriations then are made to specific departments to support school- and community-based pro-grams for children and families.

**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.

**Full-Time Equivalent (FTE):** A term expressing the amount of time for which a position has been budgeted in relation to the amount of time a regular, full-time employee normally works in a year. Most full-time employees (1.00 FTE) are paid for 2,088 hours in a year (or 2,096 in a leap year). A position budgeted to work half-time for a full year, or full-time for only six months, is 0.50 FTE.

**Fund:** An accounting entity with a set of self-balancing revenue and expenditure accounts used to record the financial affairs of a governmental organization.

**Fund Balance:** The difference between the assets and liabilities of a particular fund. This incorporates the accumulated difference between the revenues and expenditures each year.

**General Fund:** A central fund into which most of the City's general tax revenues and discretionary resources are pooled, and which is allocated to support many of the operations of City government. Beginning with the 1997 Adopted Budget, the General Fund was restructured to encompass a number of subfunds, including the General Fund Subfund (comparable to the "General Fund" in prior years) and other subfunds designated for a variety of specific purposes. These subfunds are listed and explained in more detail in department chapters, as well as in the Funds, Subfunds, and Other section of the budget document.

**Grant-Funded Position:** A position funded 50% or more by a categorical grant to carry out a specific project or goal. Seattle Municipal Code 4.04.030 specifies that "categorical grant" does not include Community Development Block Grant funds, nor any funds provided under a statutory entitlement or distribution on the basis of a fixed formula including, but not limited to, relative population.

**Neighborhood Matching Subfund (NMF):** A fund supporting partnerships between the City and neighborhood groups to produce neighborhood-initiated planning, organizing, and improvement projects. The City provides a cash match to the community's contribution of volunteer labor, materials, professional services, or cash. The NMF is administered by the Department of Neighborhoods.

**Operating Budget:** That portion of a budget dealing with recurring expenditures such as salaries, electric bills, postage, printing, paper supplies, and gasoline.

**Position/Pocket Number:** A term referring to the title and unique position identification number assigned to each position authorized by the City Council through the budget or other ordinances. Positions may have a common title name, but each position has its own unique identification number assigned by the Records Information Management Unit of the Personnel Department at the time position authority

## Glossary

is approved by the City Council. Only one person at a time can fill a regularly budgeted position. An exception is in the case of job-sharing, where two people work part-time in one full-time position.

**Program:** A group of services within a department, aligned by common purpose.

**Reclassification Request:** A request to change the job title or classification for an existing position. Reclassifications are subject to review and approval by the Classification/Compensation Unit of the Personnel Department and are implemented upon the signature of the Personnel Director, as long as position authority has been established by ordinance.

**Reorganization:** Reorganization refers to changes in the budget and reporting structure within departments.

**SUMMIT:** The City's central accounting system managed by the Department of Executive Administration.

**Sunsetting Position:** A position funded for only a specified length of time by the budget or enabling ordinance.

**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.

**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.

## **Statistics:**

This table provides high-level statistical information about the City of Seattle, including demographic data and historical budget data by department.

# Statistics

## MISCELLANEOUS STATISTICS - December 31, 2011 - Unless Otherwise Indicated

### CITY GOVERNMENT

Date of incorporation	December 2, 1869
Present charter adopted	March 12, 1946
Form: Mayor-Council (Nonpartisan)	

### GEOGRAPHICAL DATA

Location:	
Between Puget Sound and Lake Washington	
125 nautical miles from Pacific Ocean	
110 miles south of Canadian border	
Altitude:	
Sea level	521 feet
Average elevation	10 feet
Land area	83.1 square miles
Climate	
Temperature	
30-year average, mean annual	52.4
January 2011 average high	52.5
January 2011 average low	32.0
July 2011 average high	70.5
July 2011 average low	59.0
Rainfall	
30-year average, in inches	37.41
2011-in inches	36.39

### POPULATION

Year	City of Seattle	Seattle Metropolitan Area <sup>ab</sup>
1920	315,685	N/A
1930	365,583	N/A
1940	368,302	N/A
1950	467,591	844,572
1960	557,087	1,107,203
1970	530,831	1,424,611
1980	493,846	1,607,618
1990	516,259	1,972,947
2000	563,374	2,279,100
2001	568,100	2,376,900
2002	570,800	2,402,300
2003	571,900	2,416,800
2004	572,600	2,433,100
2005	573,000	2,464,100
2006	578,700	2,507,100
2007	586,200	2,547,600
2008	592,800	2,580,800
2009	602,000	2,613,600
2010	608,660	2,644,584
2011	612,100	2,659,600
King County		1,942,600
Percentage in Seattle		32

<sup>a</sup> Source: Washington State Office of Financial Management.

<sup>b</sup> Based on population in King and Snohomish Counties.

### ELECTIONS (November 8)

Active registered voters	373,630
Percentage voted last general election	52.87
Total voted	197,524

### PENSION BENEFICIARIES

Employees' Retirement	5,580
Firemen's Pension	804
Police Pension	813

### VITAL STATISTICS

Rates per thousand of residents	
Births (2010)	13.0
Deaths (2010)	6.8

### PUBLIC EDUCATION (2011-12 School Year)

Enrollment (October 1)	48,496
Teachers and other certified employees (October 1)	3,364

### School programs

Regular elementary programs	57
Regular middle school programs	9
Regular high school programs	12
K-8 school programs	10
Alternative/Non-traditional school programs	5
Total number of school programs	93

### PROPERTY TAXES

Assessed valuation (January 2011)	\$119,424,060,925
Tax levy (City)	\$347,854,971

### EXAMPLE - PROPERTY TAX ASSESSMENTS

Real value of property	\$453,300
Assessed value	\$453,300

Property Tax Levied By	Dollars per Thousand	Tax Due
City of Seattle	\$3.06086	\$1,387.49
Emergency Medical Services	0.30000	135.99
State of Washington	2.27990	1,033.48
School District No. 1	2.34209	1,061.67
King County	1.33816	606.59
Port of Seattle	0.22366	101.39
King County Ferry District	0.00360	1.63
King County Flood Control Zone	0.10976	49.75
Totals	\$9.65803	\$4,377.98

### PORT OF SEATTLE

#### Bonded Indebtedness

General obligation bonds	\$ 336,120,000
Utility revenue bonds	2,967,980,000
Passenger facility charges bonds	167,395,000
Commercial Paper	42,655,000

#### Waterfront (mileage)

Salt water	13.4
Fresh water	0.7

#### Value of Land Facilities

Waterfront	\$2,189,929,646
Sea-Tac International Airport	\$5,062,065,776

#### Marine Container Facilities/Capacities

4 container terminals with 11 berths covering 526 acres  
 2.034 million TEU's (20-ft. equivalent unit containers)  
 1 grain facility, 1 general cargo facility, 1 barge terminal  
 2 cruise terminals

#### Sea-Tac International Airport

Scheduled passenger airlines	27
Cargo airlines	3
Charter airlines	4
Loading bridges	74

## Statistics

### Operating Indicators by Department / Office Last Ten Years

	2011	2010	2009	2008	2007
<b>PUBLIC SAFETY</b>					
<b>Fire</b>					
Property fire loss					
Total City	\$11,476,891	\$11,021,455	\$22,217,971	\$16,351,377	\$17,664,500
Per capita	\$18.86	\$18.11	\$36.91	\$27.52	\$32.76
<b>Police</b>					
Municipal Court filings and citations					
Non-traffic criminal filings	8,481	9,908	10,724	9,461	12,003
Traffic criminal filings	1,109	4,752	5,344	5,124	5,100
DUI filings	1,667	1,343	1,422	1,167	1,390
Non-traffic infraction filings	4,787	5,501	6,111	6,437	7,880
Traffic infraction filings	46,136	55,108	57,960	69,949	74,490
Parking infractions	580,841	600,543	568,616	477,024	430,240
<b>ARTS, CULTURE, AND RECREATION</b>					
<b>Library</b>					
Library cards in force	456,534	502,903	465,325	432,790	448,104
<b>Parks and Recreation</b>					
Park use permits issued					
Number	670	614	639	599	529
Amount	\$454,327	\$302,690	\$204,527	\$212,403	\$75,459
Facility use permits issued including pools					
Number	26,051	27,384	26,922	24,977	23,487
Amount	\$6,147,176	\$5,014,973	\$4,957,236	\$2,571,854	\$2,374,230
Facility use permits issued excluding pools					
Number	25,472	26,661	26,190	23,577	22,113
Amount	\$5,573,454	\$4,480,703	\$4,469,322	\$2,127,367	\$1,997,402
Picnic permits issued					
Number	3,463	3,658	3,547	3,420	3,469
Amount	\$345,209	\$303,075	\$249,110	\$228,965	\$229,715
Ball field usage					
Scheduled hours	128,352	125,891	161,937	147,911	145,481
Amount	\$2,480,476	\$1,909,705	\$1,457,708	\$1,444,393	\$1,600,578
Weddings					
Number	233	272	268	235	254
Amount	\$80,900	\$89,350	\$91,238	\$80,955	\$87,900
<b>NEIGHBORHOODS AND DEVELOPMENT</b>					
<b>Planning and Development</b>					
Permits					
Number issued	7,075	6,287	5,917	7,890	8,865
Value of issued permits	\$2,144,525,229	\$1,582,129,040	\$1,987,486,066	\$2,580,055,297	\$3,097,812,568
<b>UTILITIES AND TRANSPORTATION</b>					
<b>City Light</b>					
Customers	400,351	398,858	394,731	387,715	383,127
Operating revenues	\$771,464,570	\$732,977,819	\$723,128,042	\$877,392,652	\$832,524,784

## Statistics

	2011	2010	2009	2008	2007
<b>Water</b>					
Population served	1,303,847	1,292,994	1,280,557	1,265,878	1,251,998
Billed water consumption, daily average, in gallons	110,200,000	110,424,484	122,038,356	117,406,451	120,690,060
Operating revenues	\$194,572,652	\$195,203,465	\$191,369,588	\$164,405,030	\$160,161,307
<b>Drainage and Wastewater</b>					
Operating revenues	\$278,956,907	\$249,733,795	\$250,194,607	\$224,109,335	\$202,407,690
<b>Solid Waste</b>					
Customers					
Residential garbage customers	166,637	165,541	167,047	166,914	166,052
Residential dumpsters customers	127,678	126,593	127,971	122,503	119,667
Commercial garbage customers	8,179	8,248	8,462	9,747	8,505
Operating revenues	\$154,200,068	\$150,905,931	\$135,641,160	\$124,353,043	\$121,930,923
	2006	2005	2004	2003	2002
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