



Mayor Mike McGinn's 2014 Proposed Budget

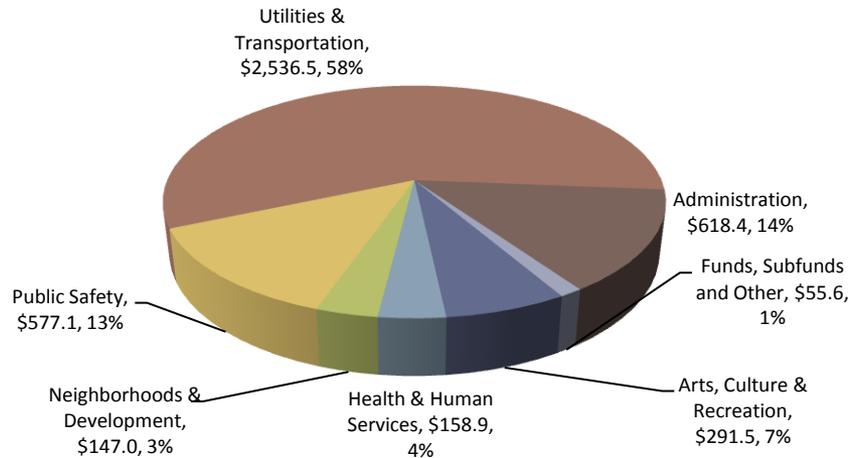
Presented to the Seattle City Council
Beth Goldberg, Director, City Budget Office – September 26, 2013



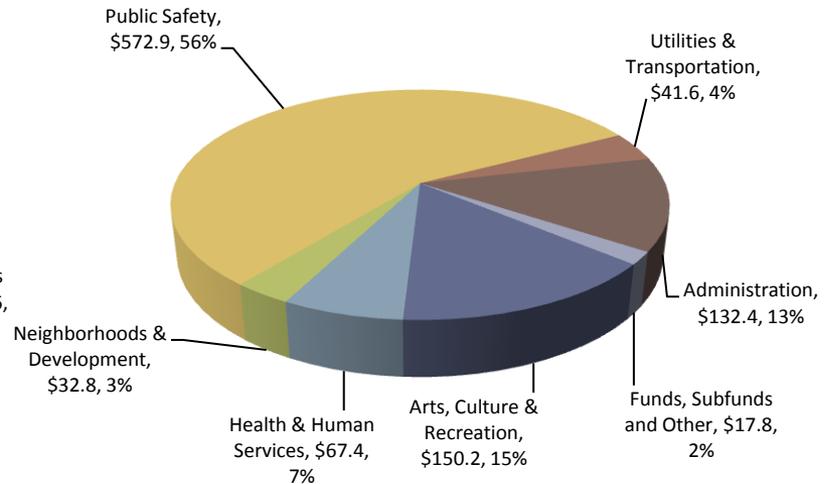
The Big Picture

- ▶ The 2014 Proposed Budget totals \$4.4 billion, \$1 billion of which is in the General Fund

2014 Proposed Expenditures - All Funds, \$4.4 Billion*
(in millions of dollars)



2014 Proposed General Fund Expenditures - \$1.0 Billion
(in millions of dollars)



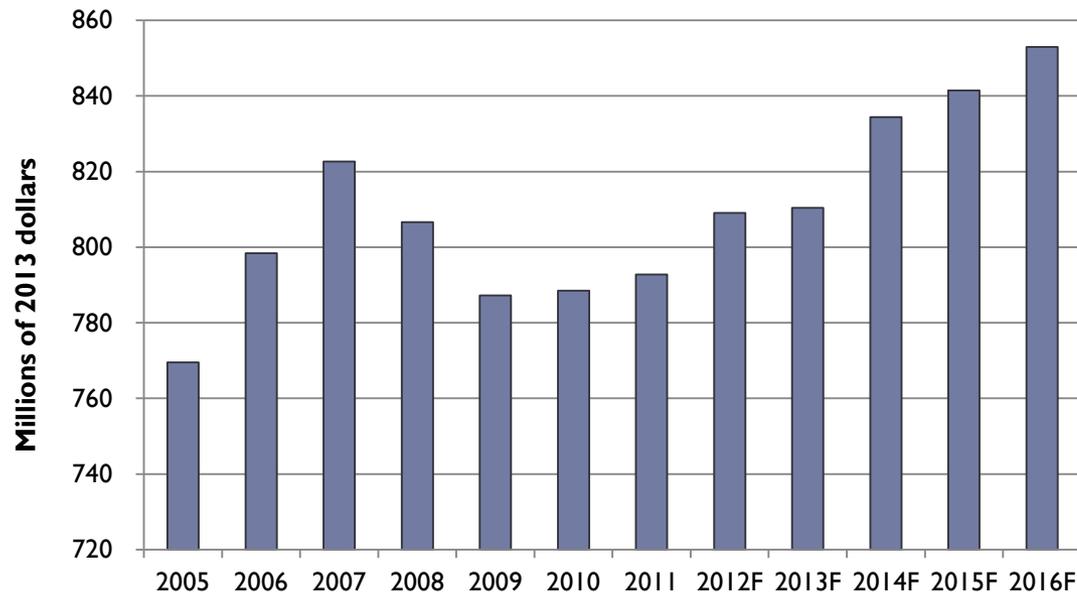
*Approximately \$334 million of the \$4.4 billion expenditures are double-appropriated

General Fund Gaining Strength



- ▶ 2014 is the first year General Fund tax revenues return to pre-recession levels

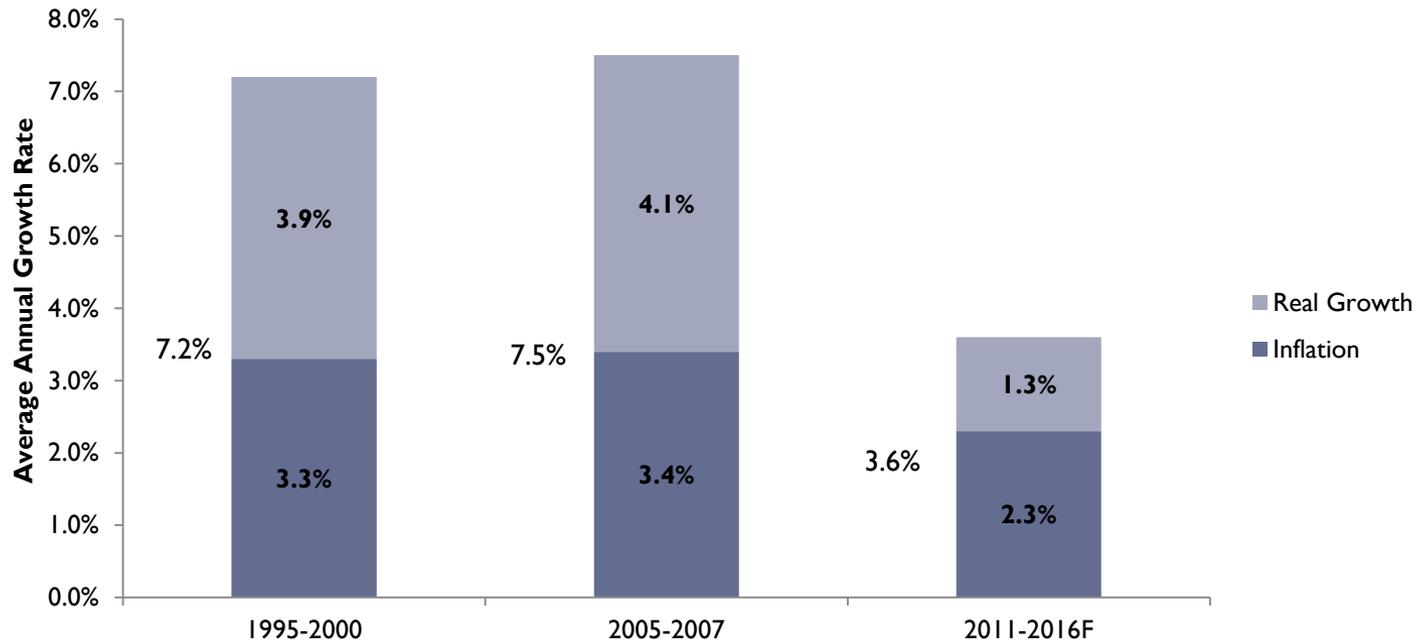
Real (Inflation Adjusted) General Fund Tax Revenue in 2013 Dollars



General Fund Tax Revenue Growth Remains Subdued



Average Annual Post-Recession General Fund Tax Revenue Growth Rate



Budget Balancing Strategies



- ▶ First time in 5 years where the City has not had to make major programmatic reductions; instead has some flexibility to respond to emerging needs

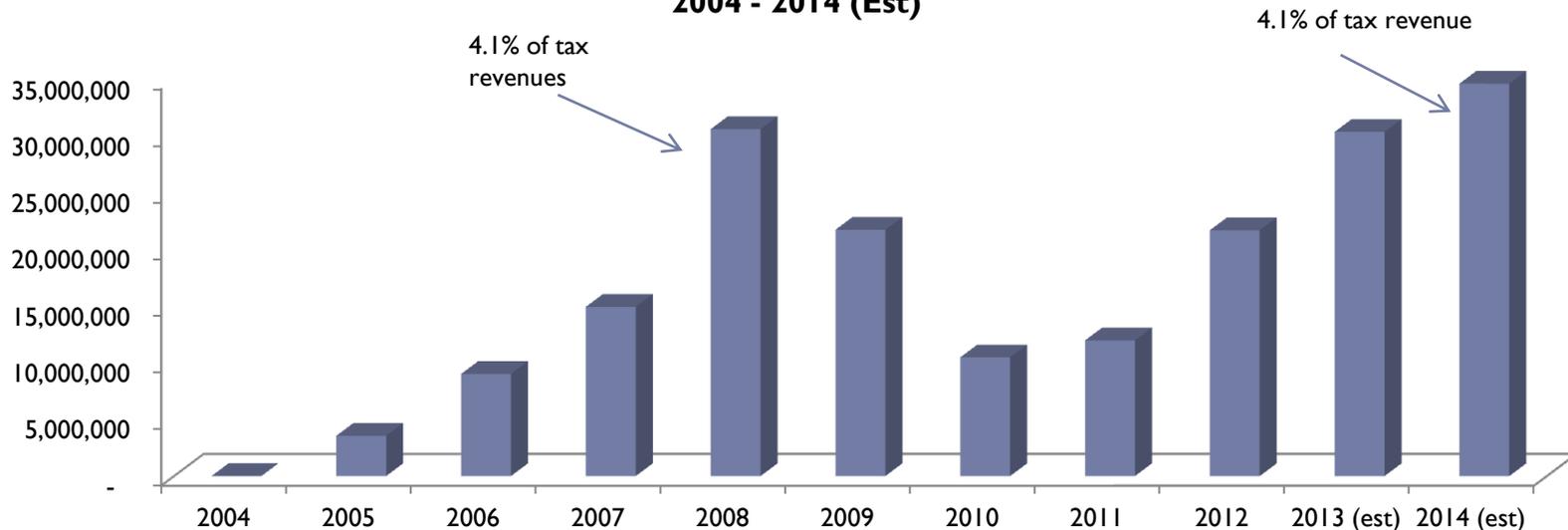
- ▶ Sources of financial flexibility:
 - ▶ Positive 2014 General Fund revenues – up \$10.3 million from last fall
 - ▶ \$28 million in General Fund balances at the end of 2013
 - ▶ Resulting from prudent financial management in both 2012 and 2013
 - ▶ Strength in REET – up \$18 million from last fall
 - ▶ Strategic use of other fund balances
 - ▶ New school speed zone camera revenues - \$8.6 million

Saving Before Spending



- ▶ Rainy Day Fund returns to pre-recession funding levels in 2014
- ▶ 2014 is also the first year since 2009 that the City will contribute to the Emergency Subfund, thanks to increasing property values

Rainy Day Fund Balances
2004 - 2014 (Est)



Strategic Investments to Respond to Emerging Needs



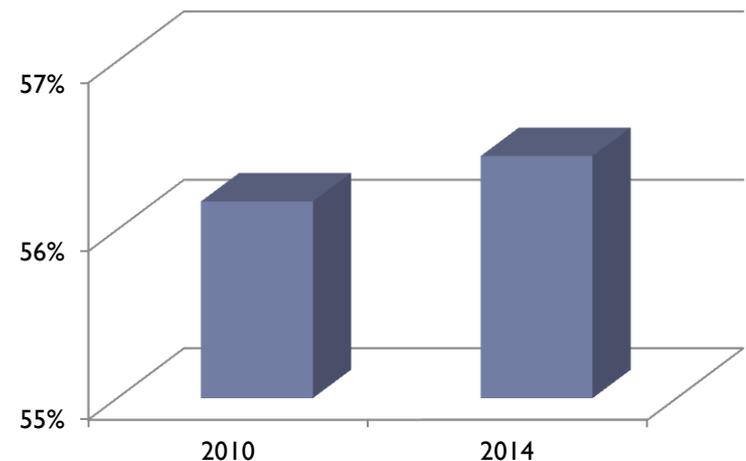
- ▶ Proposed Budget makes a series of modest investments:
 - ▶ Enhancing **Public Safety**
 - ▶ Protecting and expanding the **Human Services** safety net
 - ▶ **Empowering** Seattle residents
 - ▶ Strengthening the vitality of Seattle's diverse **Neighborhoods**
 - ▶ Maintaining and growing the City's **Transportation** system
 - ▶ Improving the effectiveness of City **Government**
- ▶ Proposed Budget adds 167 FTEs, bringing the City's total work force to 11,196 FTEs

Enhancing Public Safety



- ▶ Funding for public safety agencies represents 56.4% of the General Fund, up from 56.2% in 2010
- ▶ The 2014 Proposed Budget:
 - ▶ Adds 15 police officers; total number of officers 1,342
 - ▶ Creates a \$1 million reserve to potentially expand the number of aid cars in the Fire Department based on workload drivers
 - ▶ Improves oversight of DUI offenders
 - ▶ Provides additional resources to both Seattle Municipal Court and the Law Department

Public Safety Share of General Fund
2010-2014 Proposed*



* Does not include public safety allocations in Finance General

Enhancing Public Safety



- ▶ **Adds \$3.5 million to improve Public Safety in Downtown**
 - ▶ Doubles the City's investment in the Center City Initiative
 - ▶ \$1.7 million - case management and services
 - ▶ \$188,373 - continue 2 park rangers, bringing total to 10
 - ▶ \$500,000 - 3 police officers to support park rangers (previous slide)
 - ▶ \$952,540 - homeless services
 - ▶ \$54,025 - staff support

Enhancing Public Safety



- ▶ Expanding the school zone speed camera program
 - ▶ Reduces travel speed
 - ▶ Promotes pedestrian safety
 - ▶ Provides revenue to support needed school safety improvements
- ▶ Six additional schools will have speed cameras by the end of 2014, bringing the total number of schools to 15
- ▶ \$7.1 million reinvested into pedestrian safety infrastructure improvements and maintenance directly benefiting 12 schools in 2014



Protecting and Expanding the Human Services Safety Net



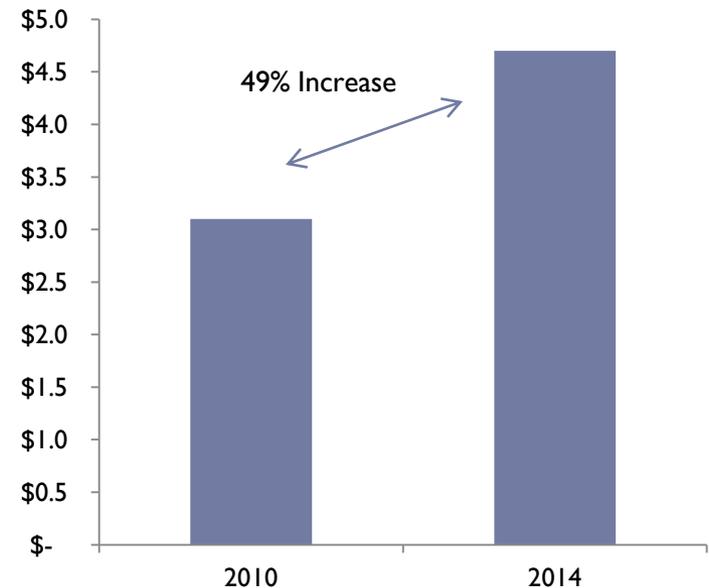
- ▶ **General Fund support for the Human Services Department increases by \$5.6 million, or 9%, relative to the 2014 Endorsed Budget**
 - ▶ **Increased Homeless Services - \$850,000**
 - ▶ Keep the winter shelter and women's shelter open year round
 - ▶ Backfill reduced federal support for homeless services
 - ▶ Increase hygiene center funding, allowing centers to remain open 7 days per week; supports the Center City Initiative (CCI)
 - ▶ Co-locate a day center and shelter south of downtown (CCI)
 - ▶ Increase support for vehicular residents, tripling the number served

Protecting and Expanding the Human Services Safety Net



- ▶ Proposed Budget increases funding for domestic violence by \$450,000, for total funding of \$5.4 million
- ▶ General Fund investments in domestic violence have increased by 49% since 2010
- ▶ Domestic violence response center – collaborative effort between HSD, SPD, King County, service providers, Seattle Police Foundation
- ▶ Long-term housing for domestic violence survivors and their children, increasing those served by more than 40%
- ▶ Domestic violence manager position

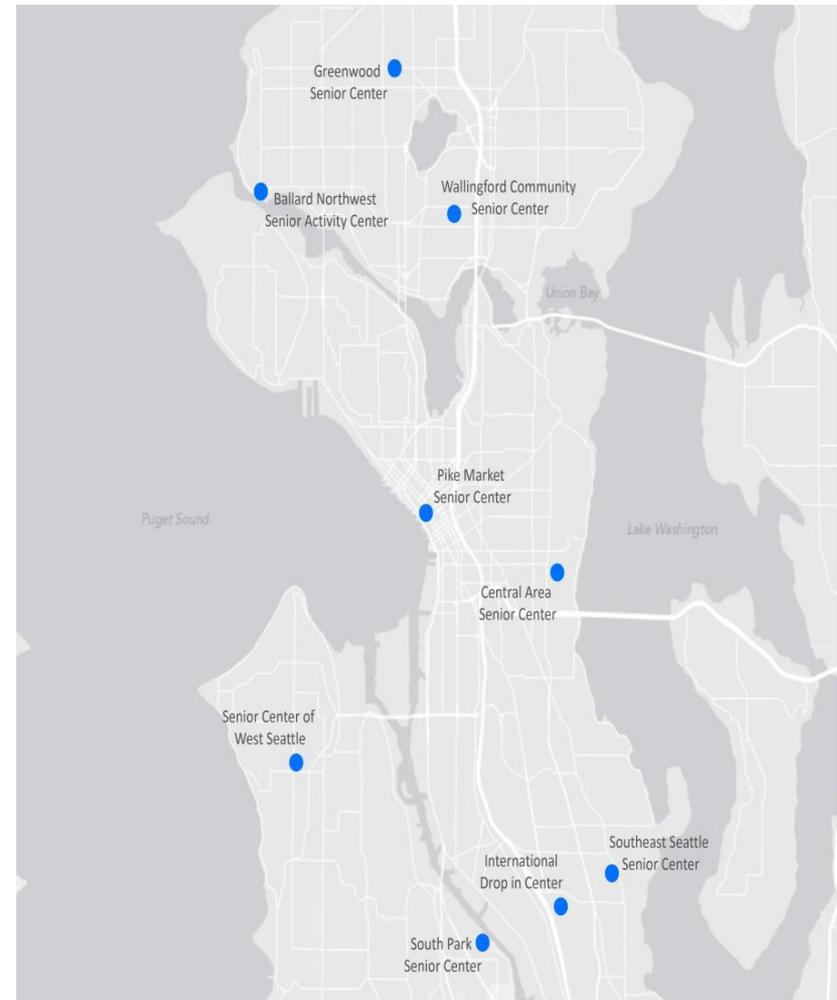
General Fund Support for Domestic Violence Response
\$ in millions



Protecting and Expanding the Human Services Safety Net



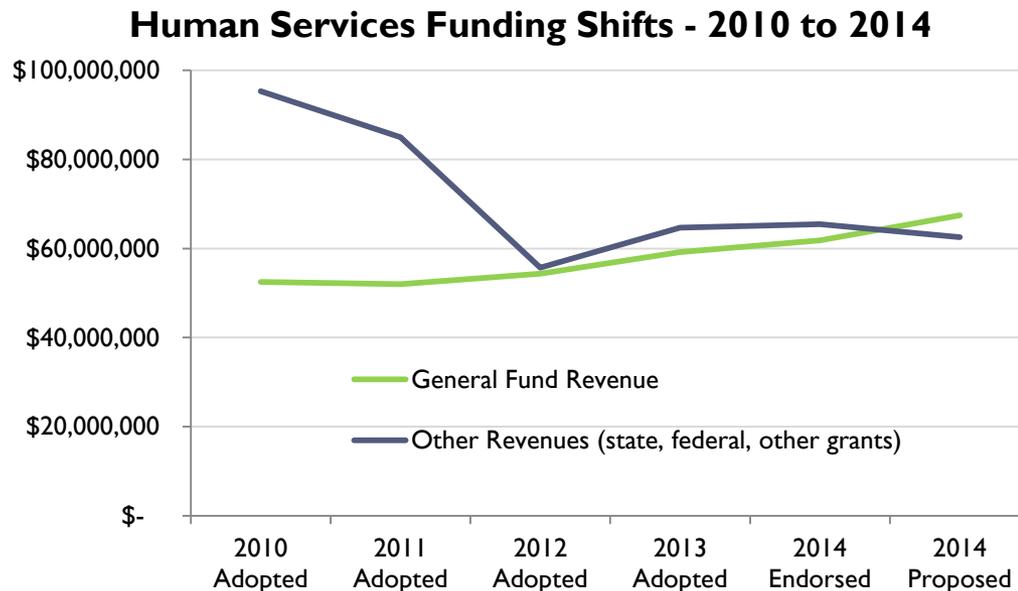
- ▶ **Proposed Budget provides \$210,000 for senior centers**
 - ▶ Number of seniors expected to double in the next decade
 - ▶ In 2012, centers served more than 14,000 Seattle residents
 - ▶ 60% live alone; 65% are low income
- ▶ **Also backfills \$631,000 of lost state and federal dollars**



Protecting and Expanding the Human Services Safety Net



- ▶ **General Fund is Backfilling for Lost External Funding**
 - ▶ The 2014 Proposed Budget backfills \$1.6 million of lost state, federal, and other external funding for HSD; another \$1 million in other departments
- ▶ Since 2010, HSD's funding from external sources is down \$32.8 million, or 34%, while General Fund support is up \$14.9 million, or 28%, partially offsetting lost external funding



Empowering Seattle Residents



- ▶ Proposed Budget makes investments to empower Seattle's residents
 - ▶ Civic Leadership Institute
 - ▶ Empowering refugee women to become more engaged in civic life
 - ▶ Construction Employment Opportunities
 - ▶ Providing training opportunities for construction jobs
 - ▶ Early Learning and Child Care
 - ▶ Creating access to high quality early learning and child care

Investing in Seattle's Neighborhoods



- ▶ Adds \$500,000 to bring the Neighborhood Matching Fund back to pre-recession funding levels
- ▶ Invests \$4.1 million to improve traffic flow through downtown
- ▶ Economic development for the neighborhoods surrounding the Duwamish River
- ▶ Supporting Seattle's historic entertainment facilities
- ▶ Improving coordination between the City and neighborhoods during major construction projects

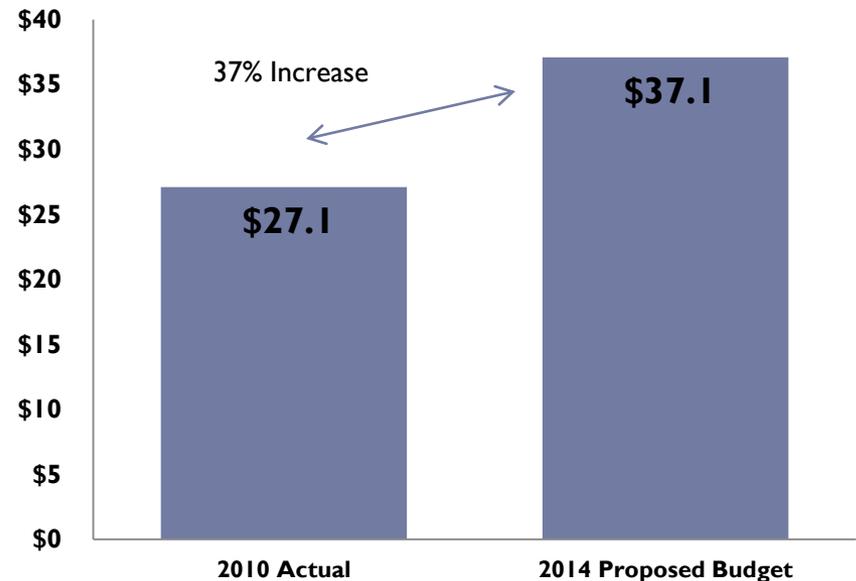
Maintaining & Growing the City's Transportation Infrastructure



- ▶ Seattle Department of Transportation budget totals \$407.2 million, including \$40.4 million from the General Fund
- ▶ \$2.2 million added for Road Maintenance for a total allocation of \$37.1 million
 - ▶ Funding for road maintenance is up 37% since 2010
 - ▶ Additional \$1 million *each* for arterial and non-arterial road repair
 - ▶ Additional traffic calming devices
 - ▶ Small-scale capital improvements for up to 5 street ends

Total Road Maintenance Funding

(in millions of dollars)



Maintaining & Growing the City's Transportation Infrastructure



- ▶ **\$500,000 for conceptual design to rehabilitate or replace up to four bridges**
 - ▶ Positions the City to receive future funding
- ▶ **\$921,000 for improved maintenance of the City's traffic signal system**
 - ▶ Maintenance cycle increased from once a year to once every six months
 - ▶ Replace oldest and most vulnerable signals and install more pedestrian countdown signals
 - ▶ Re-time 40 additional traffic signals annually

Maintaining & Growing the City's Transportation Infrastructure



- ▶ Investments to support alternate modes of transportation
 - ▶ \$6.8 million added to improve walking & biking infrastructure
 - ▶ Sidewalks – installing new and repairing existing
 - ▶ New bicycle greenway parallel to the 23rd Avenue corridor
 - ▶ Pedestrian and bicycle facilities near the Northgate light rail station
 - ▶ Stairway rehabilitation and a new pedestrian crossing near the Montlake light rail station
 - ▶ \$3.2 million added to improve the city's transit network
 - ▶ Madison Street bus rapid transit
 - ▶ Ship canal crossing
 - ▶ Center City Connector

Maintaining & Growing the City's Transportation Infrastructure



▶ Multi-modal investments

- ▶ Multi-modal improvements to the 23rd Avenue, Beacon Avenue, Lake City Way, Greenwood Avenue and East Marginal Way corridors

- ▶ Transit-oriented development planning and implementation in the Uptown Urban Center, Lake City, and Ballard neighborhoods, as well as around the Northgate, Roosevelt, Mt. Baker and Othello light rail stations

Improving the Effectiveness of City Government



- ▶ Enhancing customer service staffing
- ▶ Further “greening” the City’s fleet
- ▶ Promoting gender equity in the City’s work force
- ▶ Evaluating programs to assess effectiveness
- ▶ Investing in critical business technology infrastructure



Looking Ahead

- ▶ 2014 budget outlook the most positive in 5 years
 - ▶ Revenues have returned to pre-recession levels
 - ▶ Reserves are healthier than ever

- ▶ However, revenue growth remains subdued relative to previous post-recessionary periods

- ▶ Changes in the economic outlook – good or bad – could swing the picture for better or worse for 2015 and 2016
 - ▶ Federal budget discussions and the debt ceiling debate are the most immediate concerns

- ▶ The City's proactive approach to financial management will continue to position the City to adjust to any changes in the landscape

New Online Budget Presentation



- ▶ <http://www.seattle.gov/citybudget>
- ▶ **New web-based presentation of budget details this year**
 - ▶ Interactive drill-downs allow users to browse the budget
 - ▶ Easier to navigate between department budgets & between summary and detailed information
 - ▶ All data is posted online in data tables – <http://data.seattle.gov/>
 - ▶ Traditional book version is also still posted online
- ▶ **Web presentation improves usability and accessibility of budget information to the public.**