

CITY OF
Seattle, Washington
2018 Proposed Budget



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CITY OF SEATTLE
2018 Proposed Budget

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City of Seattle
2018 Proposed Budget

TABLE OF CONTENTS

Introduction

Introduction and Budget Process.....	7
Reader’s Guide.....	9
City Organizational Chart.....	13
Budget Process Diagram.....	15
2018 Proposed Budget Executive Summary.....	17
Race and Social Justice Initiative in the Budget.....	31
Budget Performance Measures.....	45
Summary Charts and Tables.....	97
General Subfund Revenue Overview.....	101
Selected Financial Policies.....	129

Arts, Culture & Recreation

2008 Parks Levy.....	133
2012 Library Levy.....	135
Arts and Culture, Office of.....	139
Parks and Recreation, Department of.....	153
Seattle Center.....	177
The Seattle Public Library.....	193

Education & Human Services

Education and Early Learning, Department of.....	209
Education – Support Services Levy.....	223
Human Services Department.....	231
Seattle Preschool Levy.....	267

Neighborhoods & Development

Construction and Inspections, Seattle Department of.....	275
Economic Development, Office of.....	295
Housing, Office of.....	305
Neighborhood Matching Subfund.....	321
Neighborhoods, Department of.....	329
Planning and Community Development, Office of.....	343

Public Safety

Community Police Commission, Office of the.....	353
Criminal Justice Contracted Services.....	357
Seattle Fire Department.....	361
Fire Facilities Levy Fund.....	377
Firefighters Pension.....	379
Inspector General, Office of the.....	387
Law Department.....	391

Seattle Municipal Court	397
Seattle Police Department	405
Police Relief and Pension	421

Utilities & Transportation

Seattle City Light	427
Seattle Public Utilities	447
Seattle Streetcar	483
Transportation, Seattle Department of	489

Administration

Cable Television Franchise Subfund.....	525
City Auditor, Office of the	531
City Budget Office	535
Civil Rights, Seattle Office for.....	539
Civil Service Commissions	543
Employees’ Retirement System	547
Ethics and Elections Commission	553
Finance and Administrative Services, Department of	559
Finance General	593
Hearing Examiner, Office of.....	605
Human Resources, Seattle Department of	609
Immigrant and Refugee Affairs, Office of	619
Seattle Information Technology Department.....	625
Intergovernmental Relations, Office of	677
Labor Standards, Office of	681
Legislative Department	687
Mayor, Office of the.....	693
Personnel Compensation Trust Funds	699
Sustainability and Environment, Office of	711

Funds, Subfunds & Other

General Subfund	717
Central Waterfront Improvement Fund	723
Cumulative Reserve Subfund.....	731
Debt Service	751
Fiber Leasing Fund	767
Fiscal Reserves	773
Judgment/Claims Subfund	777
School Safety Traffic and Pedestrian Improvement Fund	785

Appendix

Summary of Position and Full-Time Equivalent (FTE) Changes by Department.....	793
Fund Financial Plans.....	797
Cost Allocation	853
Glossary.....	863

Introduction

The City of Seattle and its over 10,000 employees build and maintain infrastructure, provide utility service, support the needs of the city's residents, and create recreational, cultural, and other enriching opportunities. In providing excellent service, these employees use and maintain dozens of city-owned properties, a fleet of vehicles ranging from fire trucks to golf carts, and equipment and facilities necessary to complete the City's mission.

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

This book is designed to provide clear and accurate information on the budgetary process, estimated revenue streams, and a basic description of departmental needs and spending. The State of Washington allows cities to adopt biennial budgets. The City Council and Mayor will adopt a budget for 2018 in late 2017.

City of Seattle Budget Process

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

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

Budget Preparation

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

During the budget preparation period, the 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. If revenues are not sufficient to cover the cost of current services, the City must identify changes to close the gap – either through reductions or increased revenues or a combination of both. If the revenue forecast shows that additional resources are available, then the budget process identifies new or expanded programs to meet the evolving demands for City services. Regardless, the City is required by state law to prepare a balanced budget.

Introduction & Budget Process

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

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

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

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

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

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

Reader's Guide

This reader's guide describes the structure of the 2018 Proposed Budget book and outlines its content. The budget book is designed to present budget information in an accessible and transparent manner – the way decision-makers consider the various proposals. It is designed to help residents, media, and City officials more easily understand and participate in the budget deliberations.

A companion document, the 2018-2023 Proposed Capital Improvement Program (CIP), identifies expenditures and fund sources associated with the development and rehabilitation of major City facilities, such as streets, parks, utilities, and buildings over the next six years. The CIP also shows the City's financial contribution to projects owned and operated by other jurisdictions or institutions. The CIP fulfills the budgeting and financial requirements of the Capital Facilities Element of Seattle's Comprehensive Plan by providing detailed information on the capacity impact of new and improved capital facilities.

The 2018 Proposed Budget and 2018-2023 Proposed CIP can also be found online at the City Budget Office's webpage. In addition to PDF files containing the Proposed Budget and Proposed CIP, the site contains department-customized expenditures, and revenues.

The 2018 Proposed Budget

This document is a description of the proposed spending plan for 2018. It contains the following elements:

- **Proposed Budget Executive Summary** – A narrative describing the current economy, highlighting key factors relevant in developing the budget document, and how the document addresses the Mayor's priorities;
- **Summary Tables** – a set of tables that inventory and summarize expected revenues and spending for 2018;
- **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;
- **Departmental Budgets** – City department-level descriptions of significant policy and program changes from the 2017 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 2018 Proposed Budget; and a glossary.

Reader's Guide

Departmental Budget Pages: A Closer Look

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

- Arts, Culture, & Recreation;
- Education, Health & Human Services;
- Neighborhoods & Development;
- Public Safety;
- Utilities & Transportation;
- Administration; and
- Funds, 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 other administrative funds. A summary of the City's general obligation debt is also included in this section.

As indicated, the proposed budget appropriations are presented in this document by department, budget control level, and program. At the department level, the reader will also see references to the underlying fund sources (General 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

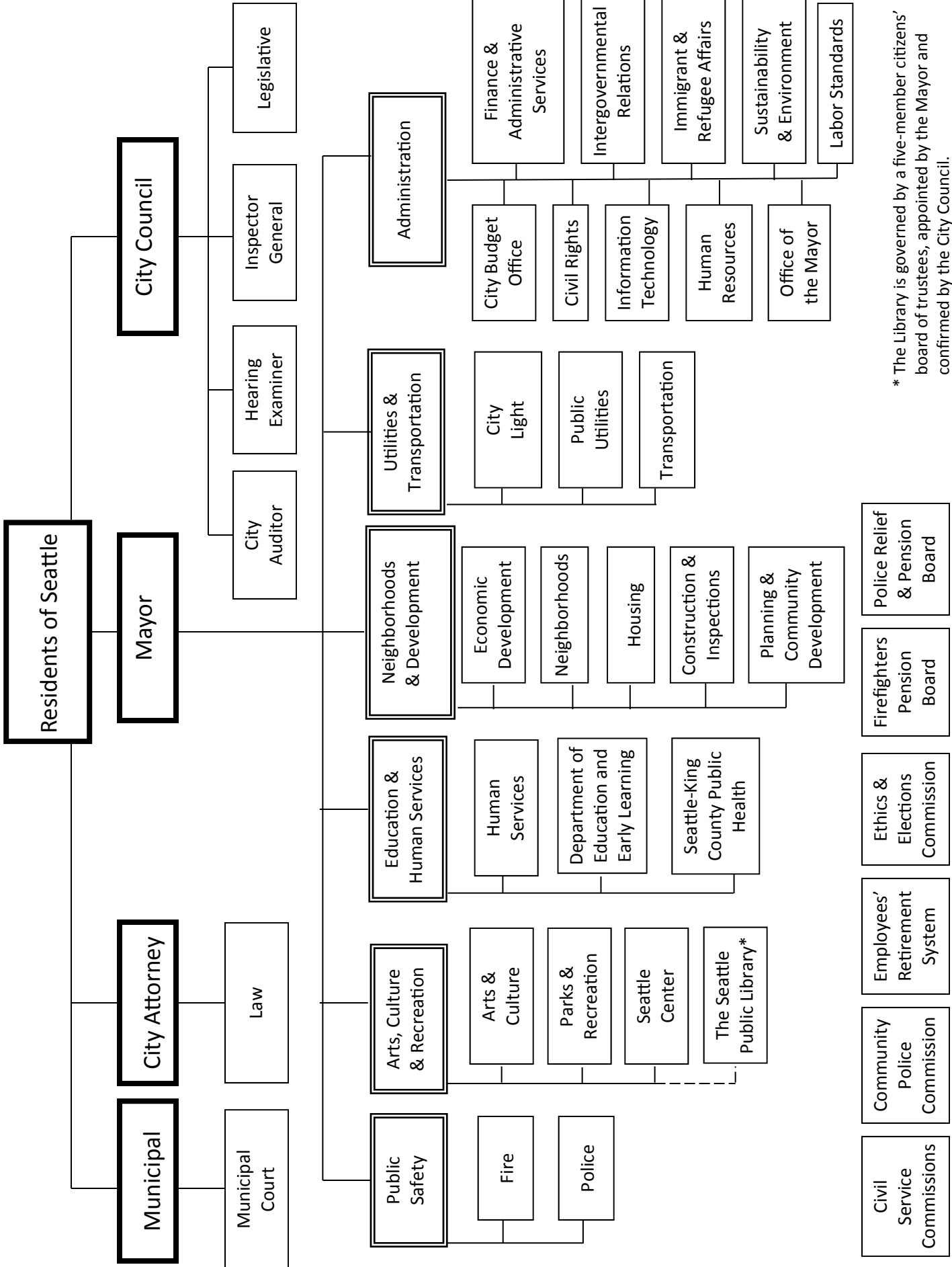
Budget Presentations

Most department-level budget presentations begin with information on how to contact the department. 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 2018 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 2018 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 2018. The actual historical expenditures are displayed for informational purposes only.

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

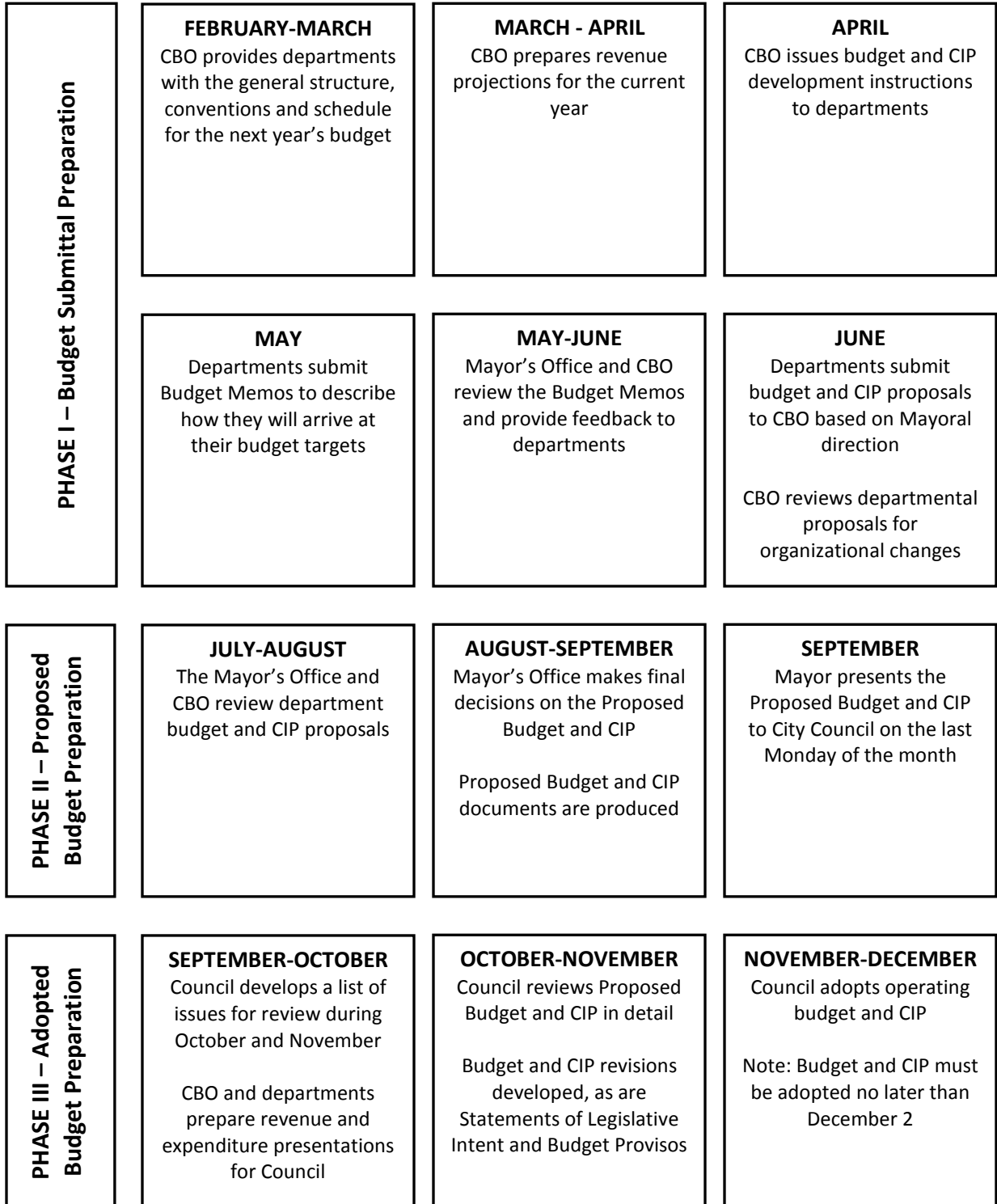
For information purposes only, an estimate of the number of staff positions to be funded under the 2018 Proposed Budget appears in the departmental sections of the document at each of the three levels of detail: department, budget control, and program. These figures refer to regular, permanent staff positions (as opposed to temporary or intermittent positions) and are expressed in terms of full-time equivalent employees (FTEs). In addition to changes that occur as part of the budget document, changes may be authorized by the City Council or the Human Resources Director throughout the year, and these changes may not be reflected in the estimate of staff positions presented for 2017. These changes are summarized in the appendix.

Where relevant, departmental sections include additional pieces of information: a statement of actual or projected revenues for the years 2016 through 2018; a statement of fund balance; and/or a statement of appropriations to support capital projects appearing in the 2018-2023 Proposed Capital Improvement Program. Explicit discussions of the operating and maintenance costs associated with new capital expenditures appear in the 2018-2023 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.

Budget Process Diagram



2018 Proposed Budget Executive Summary

The 2018 Proposed Budget for the City of Seattle represents the second year of the City's 2017-2018 biennial budget process. The budget builds on the spending levels that were endorsed for 2018, and proposes changes only to the extent that policy priorities have evolved and financial circumstances have changed. That said, the City continues to develop new policy responses to existing challenges such as homelessness, growth, public safety, and effectively moving people and goods into and out of the city. This summary highlights the most significant of these changes relative to the 2018 Endorsed Budget, and describes some of the more noteworthy budgetary actions that were initiated in 2017 and will continue into 2018.

General Fund Budget Outlook

Continued growth in the local economy is providing the revenue needed to sustain existing City services in 2018 and to provide for some expansion in targeted areas. However, consistent with recent forecasts, the rate of growth in City revenues has declined relative to the rates seen in 2015 and 2016. For example, sales tax revenue growth in the first half of 2017 measured 5.4%, well below the 2016 annual growth rate of 7.8%. Overall revenues are up relative to the forecasts prepared when the Council approved the 2018 Endorsed Budget, but most of this increase is due to changes in law at either the local or state level that authorized new revenue sources rather than improved underlying economic conditions. For example, the State of Washington enacted legislation that will apply the sales tax to more online and catalog transactions, and separately eliminated the sales tax exemption for bottled water. These changes are expected to generate an additional \$5.5 million in 2018 for the City. At the same time, the City will be imposing a tax on sweetened beverages beginning in January of 2018. As detailed below, this new tax will generate nearly \$15 million per year for targeted investments in education and food access.

In general terms, local economic conditions remain strong. Seattle has been the focal point of the region's growth during the current recovery, and the economic growth in the region has outpaced that of the national economy. Local job growth has been strong, increasing by more than 20% since the end of the "Great Recession" in 2010, and unemployment in the Seattle area has fallen to just 3.4% as of June 2017. Looking forward, the economic forecast for the region calls for continued but slowing growth. The regional economic models anticipate a reduced rate of hiring in the technology sector and actual employment reductions in both the aerospace and construction sectors. This latter prediction is consistent with the City Budget Office's (CBO) forecast that the level of construction activity will begin to slowly trend downward after 2017. The statistical model CBO has developed to forecast local construction activity indicates that construction activity forecast will decline by 10.8% over the three-year period from 2018-2020. Growth in the construction sector has outstripped past forecasts, but recent data from 2017 does suggest that we have seen the peak. For example, in the second quarter of 2017, the value of permits issued for construction activity in Seattle was virtually unchanged (0.4% increase) from the same quarter a year ago.

Changes in the City's tax base are driven by regional economic activity, and thus this pattern of slowing growth is directly reflected in the forecast for City revenues. In particular, General Fund revenues are projected to grow, but at a decreasing rate. The revised forecasts for General Fund tax revenues for

Proposed Executive Summary

2017 reflect a growth rate of 4.0% relative to 2016, after correcting for the effects of new taxes and increased tax rates. For 2018, the revised forecast predicts a growth of 3.8%. This compares to growth rates of 5.0% and 5.5% seen in the 2014-2015 and 2015-2016 time periods. As revenue growth slows, the focus of the budget will be on sustaining existing services, rather than expanding existing programs or initiating new ones. The cost of providing City services generally increases at a rate slightly above inflation, driven significantly by both increasing labor costs, costly technology investments and the costs of construction in a very hot local market. Thus, unless existing General Fund revenues continue to grow above inflation or new revenue sources are identified, some actual reduction in service levels will be required in the future. The income tax recently approved by the City could provide such a source, but this tax is currently subject to a legal challenge that will likely take more than a year to resolve.

Furthermore, it is important to recognize that a shift to slower growth could happen very quickly. Both sales and B&O tax revenues have become heavily dependent on construction activity. In combination, 18.0% of the revenues from these two key General Fund sources are linked to the construction sector. This sector has proven volatile in the past and could turn quickly again. For the first five months of 2017, taxable retail sales for construction increased 3.9% from the same period a year ago. The comparable figure for 2016 was 17.0%, which illustrates just how quickly construction growth has already decelerated. As noted above, the forecast anticipates a modest downturn, but if the decline is more rapid, budget challenges will emerge quickly.

In this context, the 2018 Proposed Budget allocates the modest increase in forecast revenues to invest further in basic services such as public safety and transportation, while also increasing the City's focus on the challenges of homelessness and serving those in need.

Homelessness

Despite the economic prosperity driving growth in the City's revenues, and in part because of it, Seattle is facing a homelessness crisis of unprecedented proportions. This is the most significant policy challenge that the City is currently facing. The 2018 budget continues the City's commitment to developing the strategies needed to address this crisis and providing the resources needed to fund these strategies. Funding to address the homelessness crisis has increased by 60% from \$39 million to more than \$63 million over the last four years, an average of \$6 million per year.

Nevertheless, nearly 4,000 individuals still sleep outside in Seattle each night. We know the ultimate solution to homelessness is housing and we are working to transform our homelessness crisis response system into one focused on achieving that goal. At the same time, the City must work to address the immediate public health and safety needs of people living unsheltered and the impacts on the surrounding environment.

In late 2016, the City convened a Task Force on Unsanctioned Encampment Cleanup Protocols to make recommendations that would improve the way in which the City responds to the needs of people living in encampments while also addressing public health and safety issues. The recommendations of the Task Force led to a set of comprehensive reforms to encampment response efforts that include:

- increasing safer, alternative places for people to stay;
- improving how people living unsheltered are connected with the services they need; and

Proposed Executive Summary

- reducing the impact of living unsheltered on individuals and the surrounding environment.

In 2017, the City used the platform of an Emergency Operations Center (EOC) activation to implement and accelerate these reforms by coordinating efforts and resources across departments. The EOC effort has shown success both in connecting more people to services and shelter and in addressing the broader sanitation and public health impacts that occur with a large population of people living unsheltered. The 2018 budget investment in homelessness takes the momentum, success and lessons learned from the Emergency Operations Center effort and sustains the effort moving forward.

Increasing safer, alternative places for people to stay. In response to feedback from people living unsheltered and in alignment with best practices, the City is moving toward more 24-hour, low-barrier shelter options that do not require sobriety or identification for admission and can accommodate couples, pets and people's possessions. These traditional barriers have negatively impacted the success of outreach efforts in the past. The Task Force on Unsanctioned Encampment Cleanup Protocols urged the City to ensure it was making "meaningful" offers of shelter to people living outdoors, meaning offers that can meet the needs of the people being offered. As part of the citywide effort to create enhanced shelter options that meets people's needs, the Human Services Department (HSD) launched two new shelters in 2017 – a 100-bed, 24-hour, low-barrier shelter in First Hill and a 75-bed, 24-hour, low-barrier Navigation Center. Both new shelters provide services such as case management and meal programs. In addition, the City stood up three more sanctioned encampments in 2017 with the capacity to provide safer spaces for up to 210 people. With better shelter and authorized encampment options in hand, the Navigation Team outreach effort is seeing improved acceptance rates from people living unsheltered. The 2018 Proposed Budget provides ongoing funding for these efforts, replacing one-time money added in the 2017 Adopted Budget. The proposed budget also expands funding for case management at existing sanctioned encampments. An encampment evaluation performed in 2017, showed that locations with case management were more effective in preparing and moving individuals into permanent housing.

The 2018 Proposed Budget also includes funding to help increase exits from homelessness to permanent housing. As part of the City's integrated and sustained response, the Office of Housing and HSD have led an effort between King County, the City of Seattle, All Home, and United Way of King County to revamp the County's Landlord Liaison Program into the Housing Resource Center. The Housing Resource Center is designed to increase the number of private market and subsidized affordable units that are made available to homeless service agencies whose clients are seeking housing. The 2018 Proposed Budget adds new resources to staff the program and risk mitigation funds to help attract property owners willing to accept referrals of tenants with barriers such as criminal records, eviction history and poor credit.

Connecting people to services they need. Intensive and persistent outreach is the critical front door to connect people living unsheltered with the homelessness response system. The City launched the Navigation Team in February 2017, partially with one-time funding, to provide this front door and add an unprecedented level of interdepartmental and interdisciplinary coordination to the City's homelessness outreach and encampment mitigation efforts. The team is comprised of specially-trained Seattle Police Department officers, an outreach coordinator who is also a licensed mental health professional, contracted outreach providers and encampment response staff, all working together in the field as a single team to offer individualized services and alternative living spaces to individuals

Proposed Executive Summary

experiencing homelessness. The Navigation Team ensures that the needs of people living unsheltered are placed front and center when the City must address public health and safety issues in an encampment.

The Navigation Team is the sole referral point for people into the Navigation Center and the Compass First Hill shelter, allowing the Team to have high-quality interim housing options in hand when they are working with people in the field. In addition, the Navigation Team has access to daily vacancy information for several other shelters and the three newest authorized encampments (Georgetown, Myers Way and Licton Springs). Further, the Navigation Team offers transportation to the shelter/authorized encampment which often helps to facilitate someone's acceptance of relocating. With better shelter and authorized encampment options in hand, the Navigation Team is seeing improved acceptance rates of people living unsheltered moving to safer locations. Between February and August 2017, the Navigation Team had sustained and persistent contact with more than 1,100 individuals, with 419 people accepting an offer to reconnect with family, move to the Navigation Center or another shelter, or move to an authorized encampment. For comparison, during the entire year of 2016, the outreach efforts related to encampment response resulted in only 214 people accepting referrals. Improved and meaningful offers of shelter are being delivered by the Navigation Team.

The 2018 Proposed Budget recognizes the positive impact of the Navigation Team and provides ongoing funding: to sustain the staffing of the Navigation Team; for the contracted outreach providers; for the outreach coordinator who provides mental health consultation services and trains others in outreach best practices; and provides new funding for the overtime incurred by the Navigation Team team's SPD officers.

The City's existing Navigation Team and authorized encampments resources are focused on helping the most vulnerable individuals, those without any shelter and those living in hazardous unauthorized encampments. Yet, the data available from Count Us In 2017 shows that more than 1,500 people -- 40% of unsheltered individuals living in the City -- are living in a vehicle of some kind. The number of people living in their vehicles has increased significantly over time and has traditionally been underserved by the City's outreach efforts. The 2018 Proposed Budget provides funding to add a second Navigation Team to specifically target individuals who are living in vehicles. In order to craft the appropriate service package for this new Navigation team to offer, the City must better understand the needs of people living in vehicles. The 2018 Proposed Budget includes funds to conduct a needs assessment to identify programs and services most likely to help individuals living in their vehicles find permanent housing. Based on the outcomes of the needs assessment, the proposed funding would fund programs and services, such as increased capacity in our authorized encampment network including case management services, diversion funds and/or rapid rehousing dollars.

In addition to dedicating new resources to the Navigation Teams, the budget also provides funding for outreach services currently being provided by the Seattle Public Library. Since April 2016, the Seattle Library Foundation has supported a Community Resource Specialist who works to connect people experiencing homelessness, who rely upon the Library for day-time shelter and/or are accessing other library services, with housing, shelter, healthcare or other community based services. To date, the Community Resource Specialist efforts have been limited to the Central Library, with once a week drop-in hours at the Ballard branch. The Foundation is unable to sustain this funding, yet the demand for the services is ever increasing at multiple branches. The proposed budget provides funding that will

Proposed Executive Summary

sustain the position and expand the program through partnerships to more branches, providing more opportunities to connect with people experiencing homelessness and to direct them toward appropriate support.

The 2018 Proposed Budget also adds new resources to improve information and performance management for the City's homelessness response system, which will ensure that the City is effective and efficient in moving people out of hazardous conditions and on to a path toward permanent housing. The proposed budget provides funding to implement Homeless Management Information System (HMIS) scan cards which will, for a small investment, significantly decrease the burden on people using homeless services to provide information and decrease the burden on agencies to enter duplicative data; meanwhile, HMIS scan cards will significantly increase efficiencies in the homeless service delivery system by ensuring data quality. The homelessness response system's capacity to provide meaningful offers of shelter to individuals contacted by the Navigation Team also relies on HSD's ability to assess real-time availability of shelter options and manage provider outcomes using data. As such, the 2018 proposed budget also includes funding for two positions to increase analytical capability in HSD's Data Team.

Reducing impacts of living unsheltered on individuals and surrounding community. The nearly 4,000 people living outdoors in the city generate a significant public health problem from garbage and human waste for both people living unsheltered and the surrounding community. In addition, large unauthorized encampments can attract criminal behavior that victimizes already vulnerable individuals experiencing homelessness and the surrounding community. Through the Emergency Operations Center (EOC) activation, HSD, SPD, the Department of Finance and Administrative Services (FAS), Seattle Public Utilities (SPU) and the Department of Parks and Recreation (DPR) identified the need for a unified citywide structure and dedicated, consistent resources to adequately address the public safety and public health issues associated with the homelessness crisis. The Navigation Team ensures that the needs of people living unsheltered are placed front and center when these resources must be deployed to address public health and safety issues in an encampment. All efforts are done in accordance with the City's Multi-Departmental Administrative Rule (MDAR) 17-01 with requirements for appropriate notice, adequate outreach, offers for safer alternative sites and management and potentially storage of possessions consistent with the Rule.

In 2018, FAS will reproduce, on a permanent basis, the EOC structure in a newly created Emergency Homelessness Response program, which will coordinate all Citywide actions and operationalize the policies regarding the city's homelessness response. The goal of this program is to move unsheltered individuals to safe living alternatives, prioritizing the most hazardous encampments, in order to improve the health and safety of encampment occupants and the community surrounding encampments. Success will be measured through the collection of data on camp sites and encampments, including data on reduction of these sites, the number of sites successfully cleaned up and the success of referring occupants to authorized shelter alternatives. The [Multidepartment Administrative Rules \(MDARs\)](#) will guide those policies' execution. To manage this central function, the 2018 Proposed Budget transfers the City Director of Homelessness position from the Office of the Mayor to FAS – providing a direct cabinet-level focus on the work within FAS – and adds another position to oversee MDAR compliance. The Emergency Homelessness Response Program will receive and assess information from the City's Customer Service Bureau (CSB) about locations that might warrant Navigation Team services. direct site coordinators to assess hazardous conditions at encampment locations, and prioritize high-risk locations

Proposed Executive Summary

for Navigation Team deployment and remediation of public safety and public health concerns at encampment sites. Two dedicated crews in DPR will perform site remediation. This unified structure ensures:

- The City's encampment response is managed by a single agency.
- Sites are prioritized for cleanup to address the most severe individual safety, public safety or public health conditions.
- Individuals living in affected encampments receive adequate outreach and are offered a safer alternative location.
- Individuals living in encampments interact with a consistent, well-trained group of City staff who are well-versed in crisis intervention as well as the City's MDARs.
- The City can direct encampment-cleanup resources at the appropriate staff level to the locations where they are most needed.

HSD's 2018 Proposed Budget includes funding for one position to manage homelessness program communications and community engagement. The work includes media communications and citywide coordination of community engagement for the City's homelessness response efforts. Demand for public accountability and community conversations has increased significantly due to challenges with siting encampments and shelters as well as rebidding homelessness investments.

Separately, additional staff are also requested to better manage HSD's existing portfolio of grants and contracts. Every year, HSD executes hundreds of contracts and must monitor each for compliance with city, county, state and federal regulations, while also tracking the performance of each relative agreed performance standards. Since 2012, HSD has seen budget for contracted services grow by more than 35%, with only a 3% growth in associated staffing.

Further Investments in Human Services and Education - Sweetened Beverage Tax Revenues

In addition to new funding for the homeless services, the 2018 Proposed Budget includes additional resources to fund services that promote healthy food choices, expand access to healthy and affordable food, reduce disparities in social, development and education readiness and learning for children, assist high school graduates to enter college, and expand services for the birth-to-five population and their families. These resources come from the new tax that City has imposed on the distribution of sweetened beverages. The tax, which goes into effect January 1, 2018, is expected to generate \$14.8 million during its first year.

Per the terms of the authorizing ordinance, 20% (\$2.9 million) of this total will be dedicated to one-time expenditures, recognizing that revenues are likely to decline over time as the tax has the desired impact of reducing the consumption of unhealthy beverages. The authorizing ordinance provides specific guidance regarding the use of these on time resources. Consistent with this direction, the 2018 Proposed Budget directs \$1 million toward one-time tax administration costs, \$1.4 million to the 13th year scholarship program, and \$500,000 for job training for individuals adversely affected by the reduction in beverage sales. This leaves \$11.9 million available to support the other intended policy priorities.

Proposed Executive Summary

This legislation also created a Sweetened Beverage Tax Community Advisory Board that will advise and make recommendations to the Mayor and City Council on how to fund programs that benefit Seattle's populations who experience the greatest education and health inequities. In developing proposals for the remaining \$11.9 million in new revenues, the proposed budget seeks to strike a balance - recognizing the role of the Advisory Board, while at the same time seeking to address several immediate funding needs that are entirely consistent with the goals set out for the use of Sweetened Beverage Tax revenues. Accordingly, for the initial year of funding, the Proposed Budget: (i) directly allocates \$5 million to several pressing needs and clear policy priorities; (ii) recommends the uses of an additional \$4.1 million, but subjects these recommendations to review by the Advisory Board; and (iii) reserves \$2.8 million unprogrammed and fully within the Board's discretion.

The \$5 million that is directly appropriated is allocated as follows:

- \$2.4 million for the Office of Sustainability and Environment (OSE) to immediately expand the Fresh Bucks program. This expansion will increase the capacity of OSE to grow the number of local groceries, community clinics, and farmers market incentives available to program participants. This funding will also support a position to continue the work of updating and implementing the citywide Food Action Plan, an integral project in coordinating other city departments on Fresh Bucks as well as broader food policy, as well as a position to support the administration of the advisory committee tasked with overseeing the allocation of the Sweetened Beverage Tax revenue.
- \$1.9 million to continue programs in the Department of Education and Early Learning (DEEL) and the Department of Parks and Recreation that were included in the 2017 Adopted Budget but with funding for only one year. These programs include the Parent-Child Home Program which provides literacy education to two- and three-year old children from low-income families; school-based mentoring; an innovation high school; summer learning; and helping college-bound students enroll in college.
- \$500,000 to conduct an evaluation of the effects of the tax.
- \$200,000 for on-going tax administration.

The \$4.1 million appropriated in the budget, but subject to a proviso that will allow for Advisory Board review, includes the following:

- \$2.7 million for birth-to-five services in DEEL. This proposed funding would support two new early learning programs to provide support to family child care and birth-to-3 child care providers. Family child care is home-based care provided in a private family home. Often these providers and the children in their care are of ethnic minority or immigrant background. The family child care program support will include curriculum training, expanded nurse health support, operational funding to provider networks, and expanding the Parent-Child Home Program to 12 new providers. Comprehensive program support for birth-to-3 child care providers will include items such as early child behavioral intervention support, professional development, public health nurse support, and a pilot program providing support and monitoring for families whose children do not qualify for birth-to-3 child intervention services.

Proposed Executive Summary

- \$1.4 million for food access programs in the Human Services Department. This proposed funding would expand four existing food programs. This includes doubling the number of children served through the Fresh Bucks to Go program which provides families free or low-cost fresh food bags of local fruit and vegetables every other week at preschool programs serving low-income families across Seattle. It would also fund a 40% increase in the number of children served through the Farm to Table Program, expand funding for food banks and meals programs as well as create a year-round summer and after school meal program for children and youth who may not have access to sufficient food at home.

The \$2.8 million reserved specifically for Board recommendation items could be used to increase funding for the specific items listed here, or to pursue new policy options consistent with the general goals set out in the legislation authorizing the new tax.

Continued Investments in Public Safety

The 2018 Proposed Budget also reflects the City's continued commitment to public safety, both by addressing the needs created by a rapidly growing population and by reforming the way public safety services are managed and accountability is enforced. Building on investments that were made in the Seattle Fire Department (SFD) for 2017, the 2018 Proposed Budget includes funding for an additional firefighter recruit class, expanded paramedic training, a second peak-time Aid Unit, increased staffing at the Fire Alarm Center and replacement of SFD's backup dispatch system. The Department's aging workforce and increasing levels of retirements mean that additional recruits are needed to meet required staffing levels, and for the same reason additional resources are needed to train new paramedics to replace those who are retiring. At the same time, increasing call volumes have necessitated the addition of 4.0 FTE at the Fire Alarm Center, where call volumes have increased by 25% since 2003, and the addition of new peak-time Aid Unit.

Additional resources are also proposed for the Seattle Police Department (SPD). Consistent with commitments made in the 2018 Endorsed Budget, the budget proposed for SPD has the funding needed to fulfill the City's commitment to expand the police force by 200 officers, relative to 2013 staffing levels. This will represent a 15% increase in SPD's uniformed personnel. Additional staff is also provided at SPD's 911 Communications Center. The 2017 Adopted and 2018 Endorsed Budget provided for an additional 25 staff to address increased volumes and improve call response times. The 2018 Proposed Budget builds on that commitment by providing funding for new civilian management and modifying existing supervisor positions to allow for more flexible coverage. This initiative is consistent with a 2016 assessment of the 911 Communications Center that confirmed the need for increased management oversight. To date, the investments made in the 911 Communications Center have produced real results. In the first half of 2017, the 911 Communications Center exceeded state standards, answering 90% of all 911 calls in 10 seconds or less more than 90% of the time, a sharp turn-around from years previous.

The 2018 Proposed Budget for SPD also includes funding needed to continue reforms in police accountability. In May 2017, the City Council passed landmark legislation to strengthen civilian oversight of SPD. The ordinance aims to institute a comprehensive and lasting police oversight system that balances different oversight responsibilities among the Office of Police Accountability (OPA), the Office of the Inspector General (OIG), and the Community Police Commission (CPC). In accordance with that

Proposed Executive Summary

legislation, the 2018 Proposed Budget funds new positions for each of these critical functions. Civilian staff added to OPA will serve as Complaint Navigators and offer a specific point of contact for community members to file complaints and obtain support related to the OPA process. For the OIG, an initial budget was established as part of the 2017 legislation that created this new function. Based on a further assessment of the potential workload for this office, funding sufficient to add four new positions has been included in the 2018 Proposed Budget. The Budget anticipates that the Council will appoint an Inspector General in late 2017 and hiring of additional staff will commence in early 2018. CPC's role was also refined through the accountability legislation referenced. In response, additional funding and authority for two FTE have been proposed for the CPC's budget

Managing and Preparing for Growth

The last several years has been a period of remarkable growth in Seattle, with explosive increases in both population and employment. Managing that growth and preparing the City to accept more growth has been a consistent priority of City departments and officials. In 2016, the Office of Planning and Community Development (OPCD) was created to coordinate planning efforts and help align the City's infrastructure and programmatic investments toward addressing the impacts of growth.

As part of that work, the City has placed a particular focus on equitable development and ensuring that parts of the City that have been neglected in the past receive the support needed to manage and foster growth. The City's Duwamish Action Team, a collaboration between OPCD and the Office of Sustainability and Environment (OSE), has piloted an area-wide planning approach to address such needs. The 2018 Proposed Budget includes several funding proposals to support implementation of the recommendations that have emerged from the Action Team's engagement with Duwamish Valley residents, including those living in South Park and Georgetown. For example, additional funding is provided to target asthma prevention and to ensure that culturally appropriate outreach is available to link residents to existing City-funded asthma prevention programs. To complement this work, the Office of Housing will receive \$50,000 of additional funding to expand existing weatherization programs to include asthma-prevention measures, such as improved ventilation, pest reduction and carpet replacement. The Department of Neighborhoods and Office of Planning and Community Development will receive \$100,000 in one-time funding to support community capacity building in the area, with the goal of developing partners who can work with the City to take over management, operation and ownership of the South Park Neighborhood Center. Additionally, The Department of Parks and Recreation (DPR) will be provided approximately \$200,000 to begin development of a South Park land-banked parks site and an off-leash area in Georgetown.

Parks and Recreation facilities are also a focus of neighborhood investment at both Magnuson Park and in the Lake City neighborhood. In addition to serving as a regional recreation asset, Magnuson Park is home to a significant community of affordable housing with additional housing investments to come on line in 2019. As the number of families in the area has grown, the limitations of the existing community center at Magnuson Park have become apparent. Aided by a \$1 million investment from King County, the 2018 Proposed Budget includes an additional \$1.15 million of City funds for a total of \$2.15 million to support a renovation of the existing facility. A similar situation has arisen in Lake City. The existing Community Center facility is no longer sufficient for the needs of this growing neighborhood. In support of the development of a new Lake City facility, the budget includes \$3 million in 2018. Per the plans set

Proposed Executive Summary

out in the Proposed 2018-2023 Capital Improvement Plan (CIP), an additional \$2 million of City funding is anticipated in 2019, and there is the prospect for additional state and private funding. With the City's funding commitment in place, the DPR will begin to work with the community to design an appropriate facility.

The 2018 Proposed Budget also includes funding for further implementation of the City's Equitable Development Initiative (EDI) program. The EDI is intended to help guide strategic City investments in neighborhoods where residents and businesses are at high risk of displacement, and is informed by working directly with impacted community groups and organizations. The EDI will be funded with the \$16 million in proceeds from the sale of surplus property known as the Civic Square Block. With the 2017 Adopted Budget, the Council authorized an interfund loan of up to \$6.5 million to support the implementation of the first round of EDI projects in advance of the sale of the Civic Square Block. Earlier in 2017, Council granted authorized sale of the property, and proceeds are expected by December 31, 2019. In anticipation of continuing EDI work in the interim period, the proposed budget includes legislation to increase the interfund loan to \$16 million.

The City's rapid growth has also put significant pressure on residential rental rates across the City, and at the same time the City has taken steps that change the regulatory framework that governs the relationship between tenants and landlords. For example, several years ago the City established a rental inspection program, and more recently passed legislation banning discrimination against renters because of the source of their income, and requiring landlords to provide housing to qualified renters on a first-come, first-served basis. In this context, the City has recognized the need to provide better and more easily accessible information to both tenants and landlords. To address this need, the Proposed Budget includes \$200,000 for the Seattle Department of Construction and Inspections (SDCI) to establish a Tenant Landlord Resource Center to assist with renting in Seattle. The funding will support a position to coordinate and lead the work, and provide for the development and distribution of printed materials, an informational video, translation and narration in multiple languages, and increased outreach to historically underrepresented communities. This budget addition is directly responsive to [Council SLI 144-1-A-1](#).

Transportation

The City's rapid economic growth, and that of the entire region, continues to put increasing pressure on the City's transportation network. The need to move an ever-growing number of people and accommodate an ever-increasing volume of commercial activity requires continual vigilant maintenance of the existing system, as well as infrastructure investments that can enhance the capacity of the overall network. The 2018 Proposed Budget includes both. Basic street paving and resurfacing will receive nearly \$17 million in funding, sufficient to pave approximately 31 lane miles of roadway. A comparable level of funding will support implementation of the City's Pedestrian Master Plan, including investments in new sidewalks, school safety projects, public stairways and curb ramps. Pedestrian mobility will also be enhanced by a \$500,000 allocation for the Market to MOHAI project, which seeks to provide an enhanced pedestrian streetscape as a link between Pike Place Market and the Museum of History and Industry at Lake Union Park. The Bicycle Master Plan will be funded at just over \$13.1 million, including \$9.4 million for protected bike lanes, \$2.7 million for neighborhood greenways, and \$1 million for spot

Proposed Executive Summary

improvements to existing facilities. An additional \$1 million is also provided to address landslide issues that affect access to public rights of way.

In addition to these system-wide improvements, the budget for the Seattle Department of Transportation (SDOT) includes significant, targeted investments in several large freight and transit projects. A total of \$125.5 million will be needed to complete the Lander Street Grade Separation project. The Proposed 2018-2023 CIP reflects a total City investment of \$36 million, with the remaining funding provided by the State of Washington, the federal government, the Port of Seattle and BNSF Railway. In terms of transit, the Proposed Budget for SDOT includes \$36.4 million for the Center City Connector Streetcar. SDOT's total budget for this project is \$158 million, with the City's share expected to total \$75.2 million over the next three years. Funding is also provided for the Madison Bus Rapid Transit and Roosevelt Multimodal Corridor projects. A smaller scale funding commitment of \$500,000 will allow for the acquisition of the capital equipment needed to implement ORCA-enabled rides on the Seattle Monorail. Technology investments are also planned in several other areas of SDOT's budget. Three million dollars is allocated to a bridge system enhancements pilot, which, if successful, would provide for the automated operation of the City's bascule bridges. This could lead to annual financial savings of \$1 million, and potentially reduce the number of bridge openings as well as the traffic delays associated with these openings. Funding is also proposed to improve the data that underlies SDOT's market-driven parking program, to improve management of employee safety, and to complete a Technology Strategic Plan to guide further Information Technology investments at SDOT.

Judgment and Claims

One of the most significant emerging budgetary challenges for the City's General Fund is the financial pressure on the Judgment and Claims Subfund. The Judgment/Claims Subfund provides for the payment of legal claims and suits brought against the City government. The Subfund receives revenues from the General Fund and the utilities (Seattle City Light and Seattle Public Utilities) to pay judgments, settlements, claims and other eligible expenses. Consistent with current financial policies, the 2017 Adopted and 2018 Endorsed Budget was developed using a five-year rolling average of expenditures from 2012-2015, when annual expenditures ranged from \$8 million to \$10 million. Starting in 2016, expenditures were showing a higher trend in the settlement and judgments in tort cases and the use of outside counsel, and this continued in 2017. Through August 2017, expenses paid from the Fund had exceeded the amount anticipated for the entire year by almost \$4 million. Looking forward for the remainder of 2017, additional expenditures are forecast at roughly \$8 million. Accordingly, an additional \$12 million will be appropriated through the 2017 3rd Quarter Supplemental Budget Ordinance. Based on assessment of currently outstanding claims and judgments and their potential costs, it is likely that this trend will continue into 2018. To help address potential funding shortfalls next year, the 2018 Proposed Budget appropriates an additional \$1.4 million for the Subfund.

Recognizing that unanticipated expenditures of this magnitude are difficult to manage, in the first quarter of 2018, the City Budget Office will coordinate a comprehensive review (with the Law Department, Council Central Staff and Risk Management) of the financial policies that currently govern the Subfund. The existing policies date to 2001, and the proposed review will touch on all elements of these policies, including how the fund is budgeted, whether the approach of funding to a five-year

Proposed Executive Summary

rolling average is still appropriate, the limits played on the accumulation of fund balance, and the City's overall approach to mitigating the risks that generate claims and lawsuits.

Good Government

The City has a committed focus on building a more effective and efficient government, and the 2018 Proposed Budget continues to strengthen this commitment. Implementation of the City's new accounting system, a project known as Summit Reimplementation (SRI), is scheduled to be complete by January 2, 2018. The Proposed Budget includes funding to support the initial period of transition when supplementary resources will be needed to ensure a smooth transition to the new accounting system.

The ongoing work to develop a consolidated Seattle Department of Human Resources (SDHR) will continue as well, with an additional staff position provided to SDHR to further coordinate this transition. And, for the first time, the 2018 Proposed Budget reflects a fully centralized information technology function housed at the Seattle Information Technology Department.

The focus on effective government has also included a specific commitment to tracking and measuring performance. In January 2016, the City launched the Citywide Performance Team, whose mission is to expand the use of data and analytics in decision making. Performance work falls into three broad categories: aligning financial resources and results, actively managing on the basis of performance data, and gleaning insights from data to improve operations and develop more efficient and effective processes.

Continuing to expand pilot performance budgeting work done for the last three budgets, the Citywide Performance Team, in concert with the City Budget Office (CBO), is further aligning the City's budget, spending, and results by ensuring clear and measurable results are established for new and existing programs, initiatives, and contracted service providers. These results are now being explicitly reviewed by CBO analysts when making funding decisions. In addition to funding decisions, CBO is developing systems for ongoing evaluation and executive oversight of baseline programs and services. Budget Performance Measures provide a systematic look at budget and spending attached to measurable results. As the City continues to modernize its technical infrastructure the Citywide Performance Team is prepared to automate and scale this effort Citywide. For more information, see the Budget Performance Measures section in the 2018 Proposed Budget Introduction section.

As part of the City's commitment to transparency around voter-approved initiatives, two new public facing websites were launched in September 2017 for the Seattle Preschool Program and the Housing Levy. These sites contribute to a growing body of work that provides transparency to voters by describing progress toward stated goals and commitments. Other transparency sites include the Move Seattle Dashboard, Seattle Transit Benefit District Budget Performance Measures, and the Park District budget transparency site.

To provide decision-makers throughout City Government access to timely and actionable information, the Citywide Performance team has worked with many departments, including Finance and Administrative Services, Human Services, Education and Early Learning, Transportation, Seattle City Light, and Seattle Public Utilities to identify data, measures and related spending as part of a consistent, Citywide framework of performance management. In addition, the Citywide Performance Team has

Proposed Executive Summary

actively supported priority issues such as homelessness response to ensure data is made available for active progress tracking and decision making.

The City is on a path to glean insights from data to continually improve operations. The Citywide Performance Team has been awarded in-kind resources from What Works Cities, the Harvard Kennedy School's Ash Center for Democratic Governance and Innovation, the John and Laura Arnold Foundation and the Harvard Kennedy School's Government Performance Lab to do behavioral insights and analytics projects. In partnership with various departments across the City, these projects build capacity across the government to use more advanced performance and data techniques such as randomized control trials, behavioral economics, data science and results-driven contracting to help improve City operations.

Race and Social Justice Initiatives in the Budget

Introduction

This chapter provides an overview of initiatives underway by the City to advance the [Race and Social Justice Initiative \(RSJI\)](#). This chapter also provides examples of funding in the 2018 Proposed Budget to support those initiatives.

City of Seattle Race and Social Justice Initiative

There is significant [evidence](#) that all Seattle residents do not have the same opportunities and quality of life because of their race and where they live. Race produces similar conditions for people of color and other marginalized or under-represented groups in the City of Seattle's [workforce](#). To address racial inequities, in 2004, Seattle became the first city in the U.S. to establish a program to explicitly eliminate institutional racism.

Institutional racism exists when an organization's programs, policies, and spending work to the benefit of white people and to the detriment of people of color, usually unintentionally. The City uses a Racial Equity Toolkit guides policy, program and budget decisions so they support positive racial equity outcomes. The City government also uses a racial equity lens to create a workforce inclusive of people of color and other marginalized or under-represented groups at all levels of City employment.

In 2014, the City reaffirmed its commitment to RSJI and expanded to include measurable outcomes, greater accountability, and community-wide efforts to achieve racial equity throughout Seattle. Each department is now required to use the Racial Equity Toolkit on a minimum of four projects each year to guide policy, program, and budget decisions.

The Seattle Office for Civil Rights leads RSJI in the City and provides support for departments and staff. Each City department has a "Change Team" – a group of employees who champion RSJI activities and strengthen a department's capacity to get more employees involved—to support internal transformation. The team facilitates and participates in discussions on race, racism, and strategies to overcome institutional barriers to racial and social equity.

Below are recent examples illustrating how the City continues to use policies, programs, and investments to change racial equity outcomes through stronger relationships with communities; align policies and strategies across departments; and share knowledge and resources to create opportunities to integrate equity goals.

Strengthening Communities

- The Community Involvement Commission advises the Seattle Department of Neighborhoods and other City departments on coordinated, Citywide outreach and engagement activities. Its goals are to:
 1. Provide advice on priorities, policies, and strategies related to equitable civic engagement and public participation in City decision-making processes. This includes the review of initiatives, strategies and proposals brought forward by the City, as well as ones identified by the Commission.

Race and Social Justice Initiatives

2. Provide feedback on the development of City departments' community involvement plans with a focus on implementing more equitable engagement strategies and identifying new ways to increase civic participation in City processes.
 3. Develop and periodically amend bylaws and a work plan that enable the Commission to organize itself, perform its work, and advance program and policy proposals consistent with its mission.
- The City of Seattle is committed to equitable engagement and inclusion with a commitment to create communities of opportunity for everyone, regardless of race or means. To that end, in March 2017, the City established the Seattle Renters' Commission to represent diverse renter voices across the city. Its purpose is to provide information, advice, and counsel to the City concerning issues and policies affecting renters.
 - To fulfill Seattle's commitment as a Welcoming City, departments and the Council are working on a Language Access Policy requiring all City departments to incorporate language access in programs and budget decisions. For the first time, each department would use the Language Access Policy to develop a Language Access Strategy and Plan. The purpose of each plan will be to ensure that immigrants and refugees are able to attain the information and services they need regardless of the language they speak.
 - The Environmental Justice Committee (EJC), established in 2017, is a departure from business as usual by centering the voices of those most-affected by environmental inequities to have ownership of Equity & Environment Agenda implementation and environmental progress.
 - As Seattle's population changes, the City needs to continually revisit and expand its public engagement efforts to ensure growing demographic groups are represented in the City's decision-making processes and that barriers discouraging people from participating are eliminated.

Policy Alignment

- A new Capital Cabinet was created to lead implementation of the City's Comprehensive Plan and closely coordinate capital spending and other budget decisions to address displacement risk and access to opportunity in all communities. Several place-based strategies direct investment to communities burdened with disparities not experienced in other Seattle communities. The Capital Cabinet is creating criteria and a process to deliver financial support for community-identified projects.
- Communities in the Duwamish Valley are burdened with poor outcomes by several measures. The Duwamish Action Team is a collaborative effort by several departments to align their work and create shared goals and desired outcomes in the Duwamish River Valley. For example, the Seattle Department of Transportation is improving mobility and transportation safety with upgrades at railroad grade crossings and paving on arterials to enhance the pedestrian environment. At the same time, the Office of Sustainability and Environment, Public Health Seattle/King County, and the Puget Sound Clean Air Agency are working with the community to improve air quality.
- Age-Friendly Seattle presents the opportunity to:
 - improve health and well-being for seniors and create an environment where it is possible for seniors who wish to age in place;
 - make improving outcomes for elders of colors, foreign-born elders, and LGBT elders a priority;
 - align City policies, programs, priorities, and budget resources to better meet the needs of the elderly; and

Race and Social Justice Initiatives

- communicate to all elders, their families, and caregivers that the city is addressing the needs of today's and tomorrow's seniors.

In July 2016, Seattle declared itself a member of the AARP Network of Age-Friendly Communities, an affiliate of the World Health Organization's Global Network of Age-Friendly Cities and Communities. This committed City departments to work with seniors, their families and caregivers, other governments, and senior service providers to develop a plan to advance livability.

Communities of color, LGBT communities, immigrants, and women experience health, economic, and social disparities that are exacerbated among the elderly. HSD will work with OCR and HSD's RSJI Change Team to ensure this work accelerates racial justice. The program included equity forums for LGBTQ communities, immigrants and refugees, and women to assess any specific needs of those communities, and develop an action plan as a response.

Equity Integration

The RSJI Equity Lab managed by the Office for Civil Rights is a multi-platform tool intended to bolster racial justice efforts with three distinct components: the 1) Racial Equity Think Tank, 2) RSJI Incubator (Racial Equity Toolkit Center) and the 3) Virtual Library and Data Center. The RSJI Equity Lab will support departmental and citywide RSJI policy objectives, and provide departments greater opportunities to share experience, expertise, and resources.

Seattle City Light will bolster its commitment to racial equity with a new Division of Diversity, Equity, and Inclusion. The division will champion RSJI activities and strengthen City Light employee and management commitment to RSJI. The division will also support will provide strategic leadership and oversight in several areas, including Women and Minority Business Enterprise (WMBE) contracting program, workplace environment, infrastructure investment, customer incentive programs and services, hiring, and organizational change to advance equity goals.

Welcoming Cities

In November 2017, the City funded a new Family Unity initiative as part of its commitment to being a Welcoming City. The initiative was a specific response to increasing fear and anxiety among immigrant families and reports of related bullying in Seattle schools. The City provided funding for Seattle Public Schools to support peer counseling and support group at Nathan Hale and Ingraham high schools. As part of a collaboration the community-based organization Puentes created opportunities for immigrant students in South Seattle to also access the help and support they need to address fears from the federal administration's hostile rhetoric on immigration that has trickled down to our communities.

In 2017, the Family Unity Project was also funded. This dedicates a Northwest Immigrant Rights Project attorney to provide legal assistance to families with children in Seattle Public Schools for family members facing deportation and detention. In partnership with King County, the City recently awarded more than \$1.5 million to organizations providing two important needs in the community: 1) direct legal representation for Seattle and King County immigrant residents who may be in detention, facing deportation, or in danger of losing their status and 2) Community navigation services, such as guidance and referrals for Seattle and King County immigrant and refugee residents in need of legal representation.

Race and Social Justice Initiatives

The New Citizen Program was also transferred from the Human Services Department to the Office of Immigrant and Refugee Affairs (OIRA) and then expanded. This program gives grants to local organizations to provide citizenship classes, one-on-one assistance and eligibility screening. Funding was added to:

- enable the program to serve more residents and increase the number of lawful permanent residents applying for citizenship; and
- organize large-scale citizenship workshops and smaller monthly clinics with no charge to participants, leading to a 125% increase in residents served since 2015.

Recent expansion work of the New Citizen Campaign in OIRA has led to regular community events to help immigrants apply for citizenship, the best defense against deportation. And this has resulted in a dramatic increase in the number of Seattle area immigrants naturalized, from about 700 new Americans a year to more than 2,000 by 2018.

Sweetened Beverage Tax

The City will use revenues from a recently enacted Sweetened Beverage Tax to promote the Seattle Education Action Plan, food access strategies, funding for birth-to-five services, and administration costs related to implementation and collection of the Sweetened Beverage Tax. The specific investments will include:

- Family Engagement and Collaboration;
- Enhanced Before/After School Opportunities;
- School-Based Mentoring;
- Reducing Disproportionality in Discipline;
- Strategic School Investments in Middle and High Schools; Summer Learning;
- Workplace-Based Learning;
- Educator Workforce Diversity;
- 13th Year Promise Scholarship Program; and
- Food Access Strategies like Fresh Bucks and Fresh Bucks to Go; and Birth-to-Five Programs.

Additional detail on Sweetened Beverage Tax-funded programs is available in the Environmental Equity, Educational Equity, and Food Access sections of this chapter.

Equitable Human Service Outcomes (Human Services Department)

Led by the Human Services Department (HSD), outcomes-based equity strives to connect people with resources and solutions during time of need, so all Seattle residents can live, learn, work and take part in strong, healthy communities.

HSD has instituted Results Based Accountability (RBA), a performance-based, data-driven effort to invest in nonprofit organizations that demonstrate an ability to effectively serve those most in need. Using the RBA framework, HSD contracts with community-based service providers for specific outcomes, while leveraging City resources for maximum impact on reducing racial and other disparities. RBA ensures the most critical human service needs are met.

As an example, HSD research found:

Race and Social Justice Initiatives

- by percentages, American Indian and Alaskan Natives have the highest disparity of exiting homeless assistance projects to permanent housing (23%), and
- by percentages, African Americans, have the highest disparity of experiencing homelessness.

Based on this information, HSD developed racial equity performance goals for the 2017 Pathways Home Homeless Investments RFP to:

- increase the rate at which American Indian/Alaskan Native households exit to permanent housing to a rate that is comparable to other races; and
- increase the rate at which Black/African American households maintain permanent housing through a homelessness prevention project, or are diverted from homelessness.

Capacity to Advance Equity

Race and Social Justice Initiative (Office for Civil Rights)

The Office for Civil Rights' (OCR) responsibilities related to the City's Race and Social Justice Initiative (RSJI) have continued to grow since the initiative began ten years ago. As Seattle City departments are increasingly responsible for incorporating racial equity in their programs, services and initiatives, OCR is called upon to provide training and expertise. To increase OCR's capacity to support departments and Citywide initiatives, this budget proposes to increase two part-time RSJI positions to full time. Increased staffing will allow the office to accommodate requests for additional RSJI trainings and technical assistance on departments' Racial Equity Toolkits.

Division of Diversity, Equity, and Inclusion (Seattle City Light)

City Light is adding resources to further the goals outlined in the City's Race and Social Justice Initiative (RSJI), the City's commitment to eliminate racial disparities and achieve racial equity in Seattle. An evaluation of the department's RSJI programs and a comparison to other utilities, including Seattle Public Utilities and the Los Angeles Department of Water and Power, highlighted opportunities to make City Light's equity programs more robust. The proposed budget is adding 4.0 FTE positions by converting two temporary positions to regular, and adding two new positions to work on equity-related issues.

The two conversions are for an Environmental Equity Advisor that works with project managers, interdepartmental teams, and community representatives to advance equity and environmental justice with City Light projects, programs, policies and services; and an Equity Program Analyst that works on the Women and Minority Business Enterprise (WMBE) Program, Benchmarking and Best Practices, and Business Case Process issues.

The two new positions are for a Director of Equity Integration and a Succession Planning Specialist. To reinforce City Light's commitment to racial equity and diversity, City Light is creating a new division of Diversity, Equity and Inclusion. The Director position will provide strategic leadership and oversight for equity, diversity and inclusion strategies and initiatives with the goal of advancing City Light's commitment to ensuring that services and operations are delivered to all customers equitably with an emphasis on enhancing customer engagement and service. The Succession Planning Specialist will focus on ensuring that City Light can effectively manage the loss of institutional knowledge due to the significant number of upcoming retirements. This position will use a racial equity lens to develop a utility-wide succession planning program.

Race and Social Justice Initiatives

The expected outcome is to ensure diversity and inclusion is embedded in everything we do at City Light and to build engagement and accountability for diversity, equity and inclusion at all levels and organizational practices.

EQUITY INITIATIVES

RSJI has changed how the City engages in decision making and planning efforts in both large and small ways. In addition to the many cross-cutting work, the City is advancing equity work in several policy areas. This work has led to the following equity efforts across City government:

- Equitable Community Development
- Labor Equity
- Contract & Economic Equity
- Digital Equity
- Equity and the Environmental
- Equitable Access to Healthy Food
- Equity in Education
- Workforce Equity
- Equitable Community Outreach & Engagement

EQUITABLE COMMUNITY DEVELOPMENT

Equitable Development Initiative (Office of Planning and Community Development)

In 2017, Office of Planning and Community Development (OPCD) fully staffed its Equitable Development Initiative (EDI) program. Working closely with communities, the EDI program is guiding the City to make targeted investments in capital programs and projects that address historic and market inequities in neighborhoods that have low access to opportunity. EDI is currently focused on five initial projects that were identified by the Seattle City Council based on recommendations from communities:

1. Rainier Beach Food Innovation District
2. Multicultural Community Center
3. Southeast Economic Opportunity Center
4. William Grose Center for Cultural Innovation
5. Little Saigon Landmark Project

OPCD leads EDI with support from an interdepartmental working group from the Office of Housing, Department of Neighborhoods, Office of Economic Development, Office of the Mayor, and City Budget Office. The City also consults with an external community advisory board representing impacted communities.

In 2018, the EDI will be funded with the \$16 million in proceeds from the expected sale in 2019 of the City-owned Civic Square Block. The cash received from the sale of the property will repay a \$6.5 million interfund loan as well as a proposed increase the interfund loan to \$16 million. The 2017 Adopted Budget includes a \$200,000 General Fund appropriation and the 2018 Endorsed Budget includes \$430,000 of Community Development Block Grant (CDBG) dollars. The General Fund will support ongoing capacity building and consultant services for a variety of EDI projects, while the CDBG dollars

Race and Social Justice Initiatives

will support construction or site development work.

Achieving Racial Equity with Art investment (Office of Arts and Culture)

The proposed budget provides a one-time increase in funding to further align the work of the Office of Arts and Culture with the City's Race and Social Justice Initiative (RSJI). Funding will be used for the following investments in 2018:

- integration of creative methods into RSJI trainings, policy and planning processes in partnership with community organizations and other departments;
- expansion of the Turning Commitment into Action model to include a series on creative strategies for racial justice;
- provision of Race and Social Justice training for community organizations and individuals who sit on grant review panels, and other entities that partner with ARTS;
- support to Artists Up to expand services to artists with disabilities in Seattle and King County. This organization already serves artists of color, immigrants and others experiencing structural oppression; and
- review and update of materials translation.

Fair Chance Housing (Office for Civil Rights)

Racial equity is central to the issue of fair chance housing. Due to racial bias in tenant selection and racial disparities in the criminal justice system, people of color face compounding effects of criminal records.

- An estimated one in every three adults in the United States has an arrest or a conviction record, and nearly half of all children in the U.S. have one parent with a criminal record.
- It is estimated that approximately 30% (173,714) of Seattle residents over the age of 18 have an arrest or conviction record and 7%, or 43,428 people, have a felony record.

Due to a rise in the use of criminal background checks during the tenant screening process, people with arrest and conviction records face major barriers to access housing. In some cases, landlords categorically exclude people with any prior arrest or conviction. One study found that 43% of Seattle landlords are inclined to reject an applicant with a criminal history. All Home has reported that one in five people who leave prison become homeless soon thereafter.

In 2015, the Housing and Affordability and Livability Agenda (HALA) committee recommended that the City address the barriers faced by renters with criminal records via legislation, education, and technical assistance. The City has enacted a Fair Chance Housing ordinance to increase racial equity in housing to ensure everyone has access to opportunity. Among other steps, Fair Chance Housing would prevent landlords from screening applicants based on criminal convictions more than two years old, and prohibit the use of advertising language that categorically excludes people with arrests or conviction records. Fair Chance Housing will increase racial equity in access to housing, help keep families together, and build stronger, more inclusive communities.

LABOR EQUITY

Labor Equity is a commitment by the City to address racial equity in the labor through innovative policies that create a fair and healthy economy for workers, a pipeline to training and family wage careers, legal

Race and Social Justice Initiatives

advocacy, and supportive workplaces. The high demand for these services provided the impetus for the City to create an Office of Labor Standards in 2015.

Priority Hire (Finance and Administrative Services)

Council passed Ordinance 124690 in early 2015, creating the City's Priority Hire program, and later that year the City entered into a Community Workforce Agreement with local construction unions, committing to work together to create equitable access in construction training and employment for women and people of color and for those in economically distressed ZIP codes. These groups have historically not been well represented in the construction trades, which provide a means to family-wage careers. Priority Hire invests in recruiting a diverse construction workforce and supports them on job sites with standardized work rules and a dispute-resolution process.

Highlights from the Priority Hire Annual Report illustrate the program produces measurable improvement to worker diversity on City construction, including:

- Women work 12% of CWA project hours, compared to 5 percent in previous years.
- Apprentices of color work nearly 50% of all apprentice hours on CWA projects, compared to 32% on traditional past projects.
- African Americans work nearly 10% of CWA project hours, compared to 3% on non-CWA projects and 4% on traditional past projects.
- Seattle residents doubled their percentage of hours: 12% on CWA projects compared to 5% on traditional past projects.
- Workers in economically distressed neighborhoods in Seattle perform 10% of CWA project hours, compared to 3% in traditional past projects.

The 2018 Proposed Budget adds funding to create the new Appropriate Workplace Program, a new program that will bolster Priority Hire's ability to aid new entrants to the construction industry. As part of the Appropriate Workplace Program, FAS staff in Contracting and Purchasing Services (CPCS) will work with both construction companies and their workers to clarify behavior expectations and provide information on how they can support and sustain equitable work environments, intervene when needed and report issues on City construction sites. When workers are uncomfortable at a job site, for various reasons they may be reluctant to advocate for themselves. Building on the successes of Priority Hire, the Appropriate Workplace Program will help ensure that workplaces are safe, productive, and collaborative spaces for all workers. FAS anticipates that the result of the new program will be that a greater proportion of Priority Hire participants remain in the construction industry after pre-apprenticeship training.

Community Demand Employment for Firefighters (Seattle Fire Department)

The City is building a diverse Fire Department that better reflects the Seattle community. The budget proposes additional funding for the Seattle Fire Department (SFD) to help firefighter candidates overcome barriers to employment with the SFD. SFD will prepare firefighter candidates to fulfill a requirement for valid Washington State Emergency Medical Technician (EMT) certification at the time of hire. SFD offers a course to candidates who do not yet have EMT certification. SFD is currently evaluating whether this change results in a more diverse group of candidates, greater number of firefighter candidates who successfully complete that program, and, eventually join the department.

Ready to Work Program (Office of Immigrants and Refugee Affairs)

Race and Social Justice Initiatives

OIRA's Ready to Work program combines ESL classes, job training, computer literacy courses, and culturally competent case management to help newly arrived immigrants and refugees access living wage jobs. Over the past two years, this program has helped over 200 people, has received national recognition from federal and workforce agencies, and has expanded from its South Seattle pilot to a new program in North Seattle.

Labor Standards (Office of Labor Standards)

Enforcement (Office of Labor Standards)

Last year, the Office of Labor Standards (OLS) reached \$1 million in payments assessed to Seattle workers. Many of the assessments recovered lost wages from the mandatory minimum wage requirements and the employer mandate to provide workers with paid sick and safe time away from work.

Secure Scheduling (Office of Labor Standards)

Seattle's Secure Scheduling Ordinance applies to retail and food service establishments with 500+ employees worldwide, as well as full service restaurants with 500+ employees and 40+ full-service restaurant locations worldwide. The ordinance aims to increase the stability and predictability of work for hourly employees who work in large food service and retail establishments. Further, the ordinance intends to help workers balance their other commitments, like caring for a family member, or working another job or attending school, by providing employees the right to request input into their written work schedule. Finally, the ordinance creates opportunities for existing part-time employees to take on additional hours.

Subminimum Wage (Office of Labor Standards)

To close an income inequality gap for people with disabilities, OLS is proposing a revision to an administrative rule for the Minimum Wage Ordinance. The revision will prevent employers from paying any worker with a disability less than Seattle's minimum wage.

CONTRACT AND ECONOMIC EQUITY

Contract and Economic Equity includes efforts that advance the City's mission to promote race and gender equity by increasing the opportunities for women and minority owned businesses (WMBEs) in contracting and procurement. and close the income inequality gap. and economic equality in Seattle communities

Women-and Minority-Owned Business Technical Assistance (Finance and Administrative Services)

The proposed budget also includes \$200,000 for Finance and Administrative Services (FAS) to create a new Technical Assistance Center for Women-and Minority-Owned Businesses (WMBEs). The Center will serve two purposes. First, it will provide WMBE firms with business and technical resources that will allow them to compete more successfully for public projects. Many WMBE firms are small firms that are less able to absorb administrative overhead within their operating costs, and the Center will provide assistance and expertise that the firms do not typically have in house.

LGBTQ Business Support (Finance and Administrative Services)

In 2017, the City changed its system to allow Lesbian, Gay, Bisexual, Transgender, Queer (LGBTQ)-owned businesses that are certified by National Gay and Lesbian Chamber of Commerce (NGLCC) or that

Race and Social Justice Initiatives

register in City's online vendor database now have the option to self-identify as LGBTQ-owned. The information would be visible to any City employee or contractor who use the database to find contractors. City Purchasing and Contracting Services (CPCS) will regularly update the online vendor database to include LGBTQ businesses newly registered, or certified by the NGLCC. The City will also encourage LGBTQ businesses owned by women and minorities to join our WMBE program, and when appropriate, suggest they seek state certification.

Transgender Economic Empowerment (Office of Economic Development)

This item provides \$100,000 in one-time funding for a pilot expansion of an existing program run by the non-profit Ingersoll Gender Center. The Center runs an economic empowerment project to help transgender and gender non-conforming (TGNC) residents receive health care, legal, and employment assistance. TGNC people are disproportionately affected by poverty, unemployment, homelessness, and poor health care outcomes. This pilot aims to support the organization to look for sustainable ways to expand their program and effectively measure its impact to better help TGNC people improve their economic well-being.

DIGITAL EQUITY

Digital equity seeks to ensure all residents and neighborhoods have the information technology capacity needed for civic and cultural participation, employment, lifelong learning, and access to essential services. As the lead department, Seattle Department of Information Technology (Seattle IT), is moving the city toward digital equity with targeted strategies and investments to eliminate racial barriers to access and use of technology.

Seattle Channel Closed Captioning (Seattle IT)

The Seattle Channel produces television programming to inform residents about city issues, resources and services. The Channel also strives to be inclusive and to both represent and reach diverse audiences. Closed captioning is a process of displaying text on a television, video screen, or other visual display to provide additional or interpretive information of the video presented. To improve the Channel's ability to deliver inclusive content to all residents of the City, the Cable Fund will provide funding for closed captioning services for live City Council and Committee videos.

EQUITY & ENVIRONMENT

Environmental Justice Committee (Office of Sustainability and Environment)

Seattle's Equity & Environment Initiative (EEI) is a partnership of the City, community, and private foundations to deepen Seattle's commitment to racial justice in environmental work. EEI is shifting the City's approach so those most affected by environmental challenges and racial-socio economic conditions lead on designing solutions and directly benefit from our environmental progress.

The Environmental Justice Committee (EJC) is a fundamental component of the Equity and Environment Initiative deepens the influence of communities of color in City environmental programs and ensures that the stories, experiences, and policy priorities of people of color shape our environmental work. We can only achieve environmental justice through a strong ecosystem of environmental justice leadership and multi-racial collaboration. The Committee is a radical departure from business as usual by centering the voices of those most-affected in environmental solutions.

Race and Social Justice Initiatives

The proposed budget fully funds the Environmental Justice Committee (EJC) in 2018 and in the future. The EJC is a fundamental component of the Equity and Environment Initiative, supporting communities historically underserved and overrepresented by environmental health and equity investments. In 2017, the Office of Sustainability and Environment was initiated as a pilot program to make recommendations on major environmental policy initiatives from an equity perspective.

Duwamish River Valley Program (Office of Sustainability and Environment & Office of Planning and Community Development)

In 2016, the City instituted a new initiative, the Duwamish Valley Program, to align and coordinate City departments in delivering actions to achieve environmental justice and equitable development in the Duwamish Valley. Early 2017 work-to-date has included in-depth departmental coordination by the Duwamish Action Team (DAT), co-led by staff from & Office of Planning and Community Development (OPCD) and the Office of Sustainability and Environment (OSE). OPCD's 2018 Proposed Budget contains \$100,000 in DON and OPCD to support capacity building in the Duwamish Valley area. Working in partnership with the Department of Neighborhoods (DON), and neighborhood and community organizations, OPCD will conduct a needs assessment and feasibility analysis with the goal of transferring the South Park Community Center, a City-owned asset, to a community group to own and operate.

Asthma Prevention in the Duwamish Valley (Human Services Department and Seattle-King County Public Health)

The budget proposes one-time funding to expand outreach that would engage community members to identify targeted actions in the Duwamish Valley communities to mitigate air quality problems. The City currently funds efforts in the Human Services Department (HSD) and Seattle-King County Public Health (SKCPH) to deliver programs that address asthma related issues in Seattle neighborhoods. This new work will expand outreach efforts to include multilingual and in-language education and recruitment, assisting the City in connecting communities with proven solutions to air quality concerns. This work would be in coordination with the existing HSD and SKCPH work.

Environmental Justice and Service Equity (Seattle Public Utilities)

The Environmental Justice and Service Equity Division (EJSE) helps SPU and partner departments to deliver inclusive and equitable service to customers across the city. The budget authorizes SPU to convert four temporary positions to 2.0 FTEs for expanding needs in environmental justice. Two temporary positions will be converted to Strategic Advisor 1 positions to support SPU's Environmental Justice and Social Equity (EJSE) Division to continue ongoing work on engaging communities of color, immigrants and refugees, customers with low income, and customers with limited English proficiency. Finally, this item includes non-labor funding to increase contracting with community partnerships to increase EJSE engagement with communities.

EQUITABLE ACCESS TO HEALTHY FOOD

Sweetened Beverage Tax revenue will provide additional funding for four existing food programs to expand success to healthy and affordable food. None of the money for these programs, however, may be spent until the Sweetened Beverage Tax Community Advisory Board sends its recommendations to the Mayor and to Council. In addition to these food programs, the beverage tax funds several education-related programs (see Educational Equity). For additional information about the City's use of the

Race and Social Justice Initiatives

Sweetened Beverage Tax ([Ordinance 125324](#)), see the 2018 Proposed Budget Executive Summary in the Introduction section of the budget.

Farm-to-Table Program (Human Services Department)

In 2017, the Farm to Table Program will provide food stipends and nutritional education to approximately 1,800 children. The new resources will allow HSD to serve an additional 1,050 children through 6-10 new Seattle Preschool Program sites, family child care providers and other community-based locations. The action also includes 1.25 FTE to manage and monitor new contracts, provide technical assistance, and plan, develop and coordinate the expanded program.

Fresh Bucks to Go (Human Services Department)

The 2017 Fresh Bucks to Go (FBtG) pilot program provides families free or low-cost fresh food bags of local fruit and vegetables every other week at preschool programs serving low-income families across Seattle. New funding in the 2018 Proposed Budget will allow HSD to make the FBtG program year-round and double the number of participants from 700 to 1,400, by including more preschools and other community-based locations such as family resource centers, community centers and meal programs. The proposed budget also includes one FTE to support this shift to a permanent, expanded, year-round program.

Food Bank and Meal Programs (Human Services Department)

To combat hunger, HSD contracts with agencies to provide food bank and meal programs for low-income individuals, providing groceries and meals for infants, children, seniors and people with special dietary needs, as well as assisting families to retain other food assistance (e.g., SNAP), and other non-emergency food resources.

School-Based Meal Programs (Human Services Department)

This beverage tax revenue would also provide funding to consolidate and expand two existing HSD programs the Summer Food Service Program (SFSP) and the Afterschool Meals Program into a year-round Out-of-School Time Nutrition Program. Contracted agencies and HSD staff will provide year-round food access to vulnerable children and youth ages 1 – 18, when not in school. This proposal will also improve meal quality by adding a variety of nutritious fresh fruits and vegetables to both summer and after school programs. The proposal includes one FTE to provide outreach, recruitment and training for new program sites; to supervise and train temporary staff who deliver meals; and to provide technical assistance, compliance monitoring and invoice processing for meal sites.

Fresh Bucks Program (Office of Sustainability and Environment)

The 2018 Budget propose to use revenue from the Sweetened Beverage Tax to increase the capacity of OSE to grow the number of local groceries, community clinics, and farmers market incentives available to program participants. The proposed budget provides for 7 additional staff to pursue outside resources and manage grant contracts, reporting, administration, and coordinate outreach and community partnerships. The funding to update the citywide Food Action Plan, and, support the administration of the Sweetened Beverage Tax Community Advisory Committee overseeing the allocation of the Sweetened Beverage Tax revenue.

EQUITY IN EDUCATION

Race and Social Justice Initiatives

Led by the Department of Education and Early Learning (DEEL), educational equity strives to ensure all children in Seattle have access to a quality education system and can grow and thrive in our schools. The City uses the racial lens to invest in programs and strategies to support early childhood education, close the education opportunity gap, and ensure each Seattle student graduates from high school ready for post-secondary success.

Sweetened Beverage Tax Investments in Education (Department of Education and Early Learning)

The proposed budget will add funding from Sweetened Beverage Tax revenue to expand education programs that advance equity in education.

13th Year Promise Scholarship Program (Department of Education and Early Learning)

The proposed budget will expand 13th Year further as part of a multi-year effort to create a \$5 million endowment by 2020. The Seattle College Foundation runs this program that allows local graduating seniors to attend South Seattle College tuition-free for one year. The program also offers students a variety of college readiness workshops during their senior year to prepare for college enrollment and to improve math and English skills, if necessary. [The City's contribution will fund these non-tuition components of the program to free up existing resources for tuition expenses, allowing the program to serve more students.]

Parent-Child Home Program (Department of Education and Early Learning)

DEEL is continuing the Parent-Child Home Program to provide literacy education to more two- and three-year old children from low-income families. The proposed budget will maintain this service level to serve roughly [500] Seattle children. The City partners with United Way of King County to deliver this program. [This funding is designed to leverage additional resources from both the King County Best Starts for Kids Levy and potential additional investment from United Way to serve more eligible children.]

Family Child Care Education Coach (Department of Education and Early Learning)

This item includes the adding of an Early Education Specialist, Sr., position to Early Learning. This position will serve as a coach to provide in-classroom training for family child care educators. This replaces a department contract for coaching services for family child care providers. The existing contract will be used to fund the position.

WORKFORCE EQUITY

Workforce equity represents the City's commitment to a workforce that is inclusive of people of color and other marginalized or underrepresented groups at a rate representative of the greater Seattle area at all levels of City employment; where institutional and structural barriers impacting employee attraction, selection, participation and retention have been eliminated, enabling opportunity for employment success and career growth.

Human Resource Consolidation (Seattle Department of Human Resources)

Greater workforce equity is a primary objective of the Human Resources Consolidation Strategic Plan to achieve service excellence and a more equitable and consistent employee experience. The 2016 Adopted Budget included funding to support the development of the Citywide Workforce Equity Strategic Plan (WFE Plan). The resulting Workforce Equity Action Plan proposes a combination of platform and workforce investment strategies to foster organizational change to address barriers to full

Race and Social Justice Initiatives

inclusion for all employees. The budget proposes additional staff to oversee service delivery in the consolidation.

Workforce Entry (Seattle Department of Human Resources)

The City will continue its commitment to removing barriers to full employee engagement, opportunity and success and investing in a workforce that reflects the demographics of the people who live and work in Seattle. Among the specific investments are Workforce Equity efforts that support workforce entry developed by an Employment Pathways Inter-departmental team to develop an inventory of entry-level jobs (with a focus on green jobs), and implementation of plans to create new or revised entry-level testing processing for police and firefighter candidates.

EQUITABLE COMMUNITY OUTREACH & ENGAGEMENT

The Department of Neighborhoods (DON) leads a citywide effort to establish and implement racially equitable outreach and engagement practices. This work illustrates the City's commitment to inclusive participation and the belief that equity is essential to any community involvement processes.

Targeted Outreach (Department of Neighborhoods)

A recent effort is a collaboration with DON and Seattle IT to ensure they have the tools are available to support for digital engagement efforts, including contact management and targeted outreach abilities. The Public Outreach and Engagement Community Liaison (POECL) program continues the community clinic conversation model program, which brings multiple City departments and resources to historically underserved communities and exemplifies best practices of going where people are.

Seattle RSJI Youth Council (Seattle Office for Civil Rights)

The City of Seattle is establishing a youth and young adult team this upcoming school year called the Seattle RSJI Youth Council. The mission of this council is to discuss issues and develop solutions to social problems that are widely affecting youth in our local community and nationwide. Throughout the year, the members of this council will work closely with departments citywide in partnership with the Racial and Social Justice Initiative to lead community events and raise awareness about the issues we are passionate about.

Immigrant Family Institute (Office of Immigrant and Refugee Affairs)

In 2017, the City completed a first-in-the-nation Immigrant Family Institute pilot program to build trust and understanding between Seattle police officers and immigrant and refugee families who have experienced the juvenile justice system. The Immigrant Family Institute brought together 42 immigrant family members, including 17 boys and girls between 10-17 years of age, and 12 Seattle police officers. Together they are helping to keep immigrant young people out of the criminal justice system. Caregivers gained knowledge and skills to advocate for their children. And Seattle police officers applied new skills to improve community policing, skills they've learned from the caregivers and youth themselves! In 2018, OIRA will add a seven-week parenting skills component to IFI. The current budget proposal adds \$69,000 for a parenting skills component to the Immigrant Family Institute (IFI) and funding to help sustain the program.

Budget Performance Measures

In an ongoing effort to be a more efficient, effective, and accountable City government, Seattle is expanding and deepening its work to track government's performance. As a component of the Citywide Performance team's work, the 2018 Proposed Budget includes budget performance measures. Now in its third year, the Budget Performance Measures are a pilot project that explores the use of the annual budget book to discuss and display performance measures and related financial information for City departments. Budget book measures add another dimension by connecting performance information to actual spending and changing budgets over time.

The 2018 Proposed Budget includes 34 measures across nine departments. These measures add a wide array of essential services to the conversation, including topics such as affordable housing, homelessness, transit, condition of arterials, universal Pre-K, permitting, and library collections, among others.

The following departments participated in the 2018 Budget Performance Measures pilot:

- Office of Arts and Culture
- Department of Parks and Recreation
- Seattle Public Library
- Department of Education and Early Learning
- Human Services Department
- Seattle Department of Construction and Inspections
- Office of Housing
- Seattle Fire Department
- Seattle Department of Transportation

Additional information about each department's budget can be found in the department's section of the 2018 Proposed Budget.

Investing in the Arts

Cultural Partnerships: Creative Advantage Program

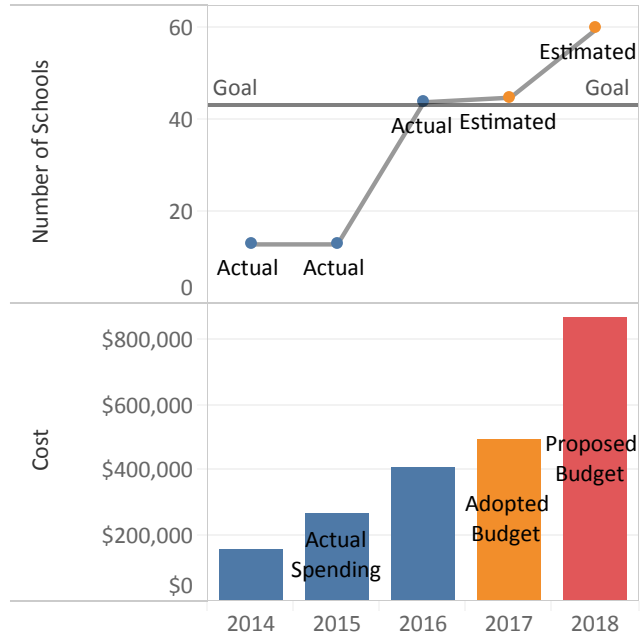
2018 Proposed Budget: \$864,500 (2018)

Program Summary: The Creative Advantage is the arts plan for Seattle schools, built as a partnership between the City, Seattle Public Schools (SPS) and the Seattle Foundation to address the arts access gap and foster equity and quality for K-12 SPS students by 2020. The program, conceived in 2008, began with several years of district research and planning supported by a national grant. School implementation to deliver high-quality, 21st century arts education to students in neighborhood pathways began in 2013. Arts provides three years of funding for professional development for teaching artists and partnerships between schools and arts organizations. After three years, Arts expects the pathway schools to have the capacity to fund the programs on their own. Arts staff oversee these contracts and manage the City’s side of the Creative Advantage program, including the teaching artist roster.

Past Performance: As a result of these investments, 13 Central pathway schools received access to music education for the first time in 30 years in 2015. In 2016, an additional 31 schools received access to music education, bringing the total to 44 schools.

2018 Goal Statement: Expand access to arts education to K-12 students in Seattle to 60 schools.

Expected Result: Arts expects to see the addition of 16 more schools in the Southeast pathway, as well as the development of new skill center programming with increased funding in the budget. Skill centers are part of SPS’s career and technical education, and will create a more explicit focus on workforce development and career readiness.



Measure	2014 Actual	2015 Actual	2016 Actual	2017 Estimated	2018 Estimated
Number of Schools Implementing Creative Advantage	13	13	44	45	60

Measure	2014 Actual	2015 Actual	2016 Actual	2017 Adopted	2018 Proposed
Total Dollars	\$160,000	\$270,000	\$410,734	\$492,500	\$864,500
Total Positions (FTEs)	1.0	1.0	1.5	1.5	2.0

Investing in the Arts

Cultural Partnerships: Cultural Investments

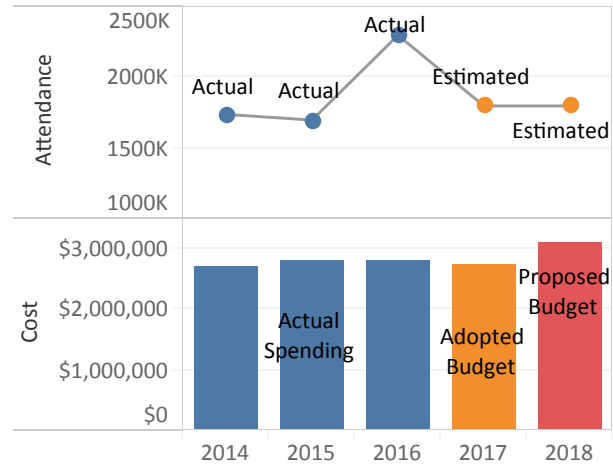
2018 Proposed Budget: \$3,100,000 (2018)

Program Summary: The Office of Arts and Culture’s (Arts) cultural partnerships programs provide financial support for performances, events, facilities, exhibitions, and the creation and presentation of artworks. Projects range from neighborhood festivals, to main stage performances, to arts training for youth. Since the program was initiated in 1971, the office’s total investment in artists and cultural organizations has been greater than \$50 million. Cultural investments promote a livable city, vibrant with a diversity of arts and cultural events, programs and services for everyone who lives, visits and works in Seattle.

Past Performance: In 2015, Arts supported more than 413 arts and cultural events, programs and participatory opportunities for families, adults, youth and students to experience throughout the City.

2018 Goal Statement: Maintain opportunities to attend and participate in grant funded art and cultural programs and services.

Expected Result: In 2017-2018, Arts expects to see attendance in line with historical averages.



Measure	2014 Actual	2015 Actual	2016 Actual	2017 Estimated	2018 Estimated
Number of Artists and Cultural Organizations Funded	367	375	413	368***	370
Number of People Attending Grant-funded Programs*	1,740,000	1,700,000	2,300,000	1,800,000	1,800,000

Measure	2014 Actual	2015 Actual	2016 Actual	2017 Adopted	2018 Proposed
Total Positions (FTEs)	3.75	3.75	4.75	4.75	4.75
Total Dollars**	\$2,711,710	\$2,802,927	\$2,800,000	\$2,750,000	\$3,100,000

*This figure represents attendees at events where Arts contributed funds towards the event and participant counts were available.

**Reflects program costs only, exclusive of staffing

*** the budget is higher 2017 because:

- Arts Mean Business was not authorized additional funds through budget process.
- Arts increased grant awards for Youth Arts, which means there are 20 fewer funded projects, but each project funded is at a much more meaningful amount.
- Arts no longer manages the Seattle Youth Violence Prevention Initiative funding program for arts partners via the Work Readiness Arts Program.

Investing in the Arts

Cultural Partnerships: Racial Equity Trainings

2018 Proposed Budget: \$173,500 (2018)

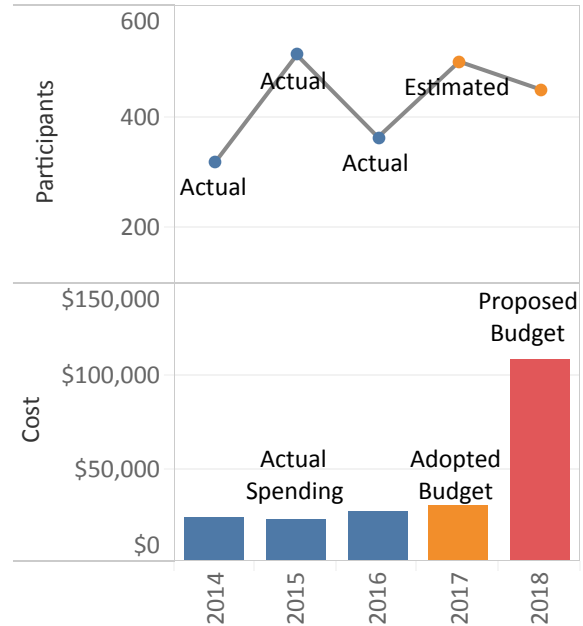
Program Summary: The Seattle Office of Arts & Culture (Arts), in conjunction with the Office for Civil Rights (OCR), offers arts and cultural organizations the tools to begin to eliminate institutional racism and build racial equity through workshops and trainings. The numbers below represent individual artists and administrators who have participated in racial-equity trainings.

Past Performance: In 2015, Arts served more people than estimated and at a lower program cost because one of the trainings was offered through a multi-jurisdiction partnership that leveraged City resources for a greater community impact. In addition, 80 of those served participated in a 40+ hour commitment via racial equity learning cohorts. These cohorts are part of the Turning Commitment into Action program, bringing participants from 10-13 organizations together to assess where their organizations are on a continuum of racial equity work and building a plan to advance their commitment.

2018 Goal Statement: Maintain a similar level of programming for workshops and trainings. Continue leveraging resources to serve more people from arts and cultural organizations at a lower program cost. The program will be moving toward a “train the trainer” approach that will include fewer people, but longer in depth training so it can be brought back to organizations. 2018 funding will be broken out into the following areas:

- Racial Equity Cohorts = \$50,000
- Turning Commitment into Action Cohorts = \$50,000
- Administrative and Interdepartmental Coordination = \$8,500

Expected Result: Arts expects to see an ongoing focus on racial equity work within Arts programs, as well as continued programming for the arts and culture communities.



Measure	2014 Actual	2015 Actual	2016 Actual	2017 Estimated	2018 Estimated
Number of Race and Social Justice Initiatives Participants from Arts and Cultural Organizations	320	512	364	500	450

Measure	2014 Actual	2015 Actual	2016 Actual	2017 Adopted	2018 Proposed
Average Cost Per Participant	\$73	\$45	\$74	\$71	\$63
Total Program Cost	\$23,290	\$23,058	\$27,126	\$30,000	\$108,500

Provide welcoming and safe spaces to play, learn, contemplate and build community

Provide a high-quality, financially sustainable golf operation

2018 Proposed Budget \$11,302,982 (2018)

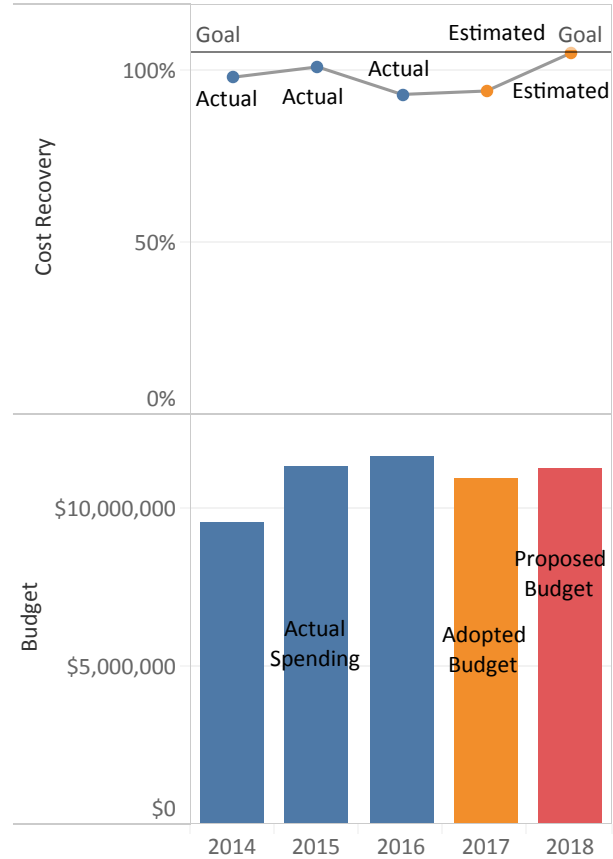
Program Summary: Golfers play more than 200,000 rounds at the City of Seattle’s four public courses. Revenue from greens fees, driving range fees, restaurants, and merchandise sales covers the courses’ operating costs and provides for ongoing major maintenance work and golf improvements. Premier Golf operates the courses while DPR runs the ground maintenance operations.

The golf program’s financial sustainability depends on the City continuing to provide competitive courses and amenities for golfers. Investments made in the Golf Master Plan, such as the recently renovated Jefferson Park Clubhouse and driving range and the driving range and perimeter trail around the Jackson Golf Course, support the long-term sustainability of the golf program. The annual revenues received by providing this recreation opportunity to the golf community is vital to sustaining this public amenity.

Past Performance: In 2016, the Golf Program recovered 93% of its expenses, short of the 105% goal.

2018 Goal Statement: Provide a high-quality golf experience within a sustainable operating model that covers operating and capital improvement expenses and returns 5% of gross revenues to support general park and recreation services. DPR will assess the Golf Program in 2018 to evaluate whether the program can realistically cover 100% or more of its expenses.

Expected Result: Golf revenues can vary year-over-year as they are materially-impacted by weather. For example, as of mid-2016, unusually wet weather caused the number of golf rounds region-wide to be down by approximately 7%.



Measure	2014 Actual	2015 Actual	2016 Actual	2017 Estimated	2018 Estimated
Golf Cost Recovery	98%	101%	93%	94%	105%
Golf Revenues	\$9,376,868	\$11,456,743	\$10,827,000	\$10,351,000	\$11,897,876

Measure	2014 Actual	2015 Actual	2016 Actual	2017 Adopted	2018 Proposed
Total Budget	\$9,584,006	\$11,332,883	\$11,667,533	\$10,999,000	\$11,302,982
Total Positions (FTEs)*	24	24	24	24	24

*FTE total for Golf includes Parks positions only. Additional staff support golf programs as employees of Premier Golf.

Provide welcoming and safe spaces to play, learn, contemplate and build community

Maintain assets for continued public use and enjoyment

2018 Proposed Budget: \$18,818,651 (2018)

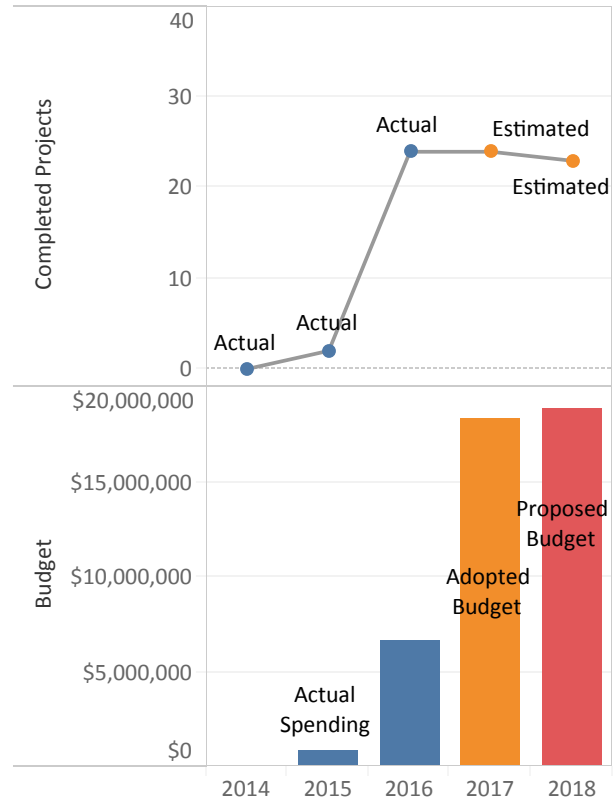
Program Summary: The Parks and Recreation system includes developed parks, forests and green spaces, athletic fields, swimming pools and beaches, golf courses, community centers, and a conservatory. The City has a financial obligation to maintain all of these assets for continued public use and enjoyment. A major maintenance project is a capital investment intended to preserve a facility. Typically, these projects are sizeable and can take anywhere between 1-3 years to complete.

In 2014, Seattle voters passed the Seattle Parks District and earmarked a significant portion of the funding to address major maintenance needs.

Past Performance: In 2016, DPR completed 24 major maintenance projects (e.g. repairing roofs, pipes, electrical systems, boilers and paving). DPR also finished renovations of the play areas at Lincoln Park (North), Webster Park and Gilman Park and began renovations of the following seven play areas: Prentis Frazier, Georgetown, High Point, Dearborn, Discovery, Hiawatha, and South Park. DPR also restored 100 acres of urban forest and resolved 33 property encroachments.

2018 Goal Statement: DPR established a six year goal of completing 118 projects—three during the 2015 ramp-up year and an average of 23 per year for 2016-2020.

Expected Result: Major maintenance funding is a primary component of the Seattle Parks District financial plan through 2020. The number of completed projects may vary year-over-year as individual major maintenance projects can vary significantly in size/scale. For example, one major maintenance project could be a small comfort station renovation, a ballfield upgrade from grass to synthetic turf, or a complete overhaul of a park’s pathway system.



Measure	2014 Actual	2015 Actual	2016 Actual	2017 Estimated	2018 Estimated
Completed Projects	0	2	24	24	23

Measure	2014 Actual	2015 Actual	2016 Actual	2017 Adopted	2018 Proposed
Total Budget	\$0	\$843,291	\$6,677,007	\$18,359,659	\$18,819,000

Provide welcoming and safe opportunities to play, learn and build community

Maintain assets for continued public use and enjoyment

2018 Proposed \$39,179,885 (2018)

Program Summary: The City of Seattle’s parks system includes approximately 4,500 acres of developed park space in 400 locations throughout Seattle. Department of Parks and Recreation (DPR) has a financial obligation to maintain these assets for continued public use and enjoyment.

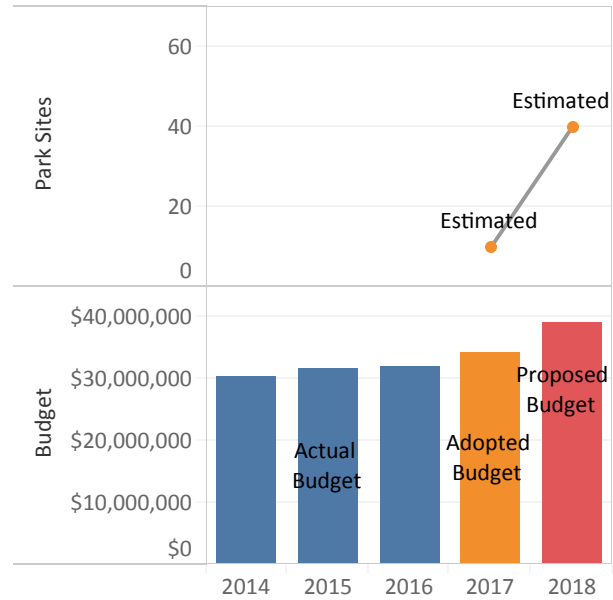
To meet this obligation, geographically-based crews keep grass and trees watered and trimmed, remove litter and garbage, maintain athletic fields and picnic shelters, clean off-leash dog areas, irrigate, establish new trees and plants, clean restrooms, keep play areas safe, support volunteer projects, and help prepare for special events.

To ensure these parks are maintained equitably and effectively across the system, DPR piloted an inspection program in 2017 based in part on recommendations made through a City Council-lead performance review of grounds maintenance activities. The pilot began in the fourth quarter of 2017.

Past Performance: This is a new initiative, initial results will occur in 2017.

2018 Goal Statement: Pilot a new park inspection program in 2017 and establish a longer-term approach based on lessons learned in pilot year. The goal is to inspect 10% of developed parks within the system annually.

Expected Result: These open spaces and recreational facilities are open to all members of the community, and as density increases, their use by the community is anticipated to increase which will affect future maintenance costs. While the resources required to maintain a specific park are influenced by the park’s size, amenities, natural features and usage, the cost per acre measure includes costs across the system as a whole.



Measure	2014 Actual	2015 Actual	2016 Estimated	2017 Estimated	2018 Estimated
Number of park sites inspected	0	0	NA	10	40
Acres of park land (4,500)					

Measure	2014 Actual	2015 Actual	2016 Actual	2017 Adopted	2018 Proposed
Cost per Acre	\$6,789	\$7,028	\$7,150	\$7,631	\$8,706
Total Positions (FTEs)	234	243	244	243	265
Total Spending on Parks	\$30,549,162	\$31,627,943	\$32,176,942	\$34,338,013	\$39,179,885

Provide welcoming and safe opportunities to play, learn and build community

Teach our community to swim

2018 Proposed Budget: \$6,934,842 (2018)

Program Summary: The Department of Parks and Recreation (DPR) recognizes the importance of knowing how to swim in a city surrounded by water. Drowning is the second leading cause of unintentional injury or death for children 1-17 years old in Washington. Our goal is to get kids and adults proficient at swimming so they can safely participate in programs at swimming beaches, eight indoor and two outdoor pools as well as safely participate in recreational activities such as boating and fishing.

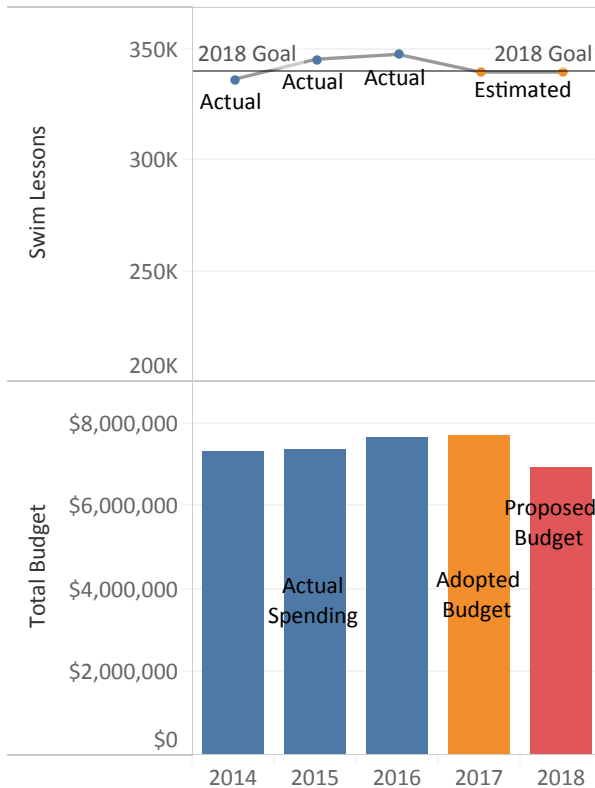
DPR’s pool programs include swim and water safety lessons, fitness classes, lap swims, and recreation swims. There are also various special events, swim team rentals, summer swim team programs, high school rentals for their swim teams, and other rentals (e.g. scuba classes).

Past Performance: In 2016, DPR taught more than 347,996 lessons at swimming pools and swimming beaches well exceeding the target of 270,000 lessons.

2018 Goal Statement: Given the past success of the swim lesson program, DPR raised the target from 270,000 to 340,000 for 2017. For 2018, DPR will continue to set the goal at 340,000.

Expected Result: The number of lessons has grown by 23% over the past five years. DPR attributes that to: (1) the expansion of Rainier Beach Community Center and Pool facility, (2) increased funding for scholarships, (3) expanded free lessons at swimming beaches, and (4) DPR’s increased emphasis on the importance of swim lessons.

Because capacity at pool facilities is limited, there is steep competition for space, especially during the evening hours. Swim lessons must compete with popular uses such as lap swimming, aerobics, and competitive swim teams. Adding more lessons at any facility requires shuffling other popular activities. In 2018, DPR will add a seventh day of operation to the Meadowbrook Pool. The additional Sunday hours will allow DPR to meet unmet demand for swim lessons and provide additional swimming opportunities for the community.



Revenue from program fees covers a substantial amount of the staffing, utilities, and operating costs of the pools. The cost recovery of an individual pool varies based on the specifics of the facility, the programs and amenities offered, and the number of participants utilizing the City’s low-income swim fees. The cost recovery figure averages cost recovery across the 10 pools.

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Department of Parks and Recreation

Measure	2014 Actual	2015 Actual	2016 Actual	2017 Estimated	2018 Estimated
Number of Swim Lessons	336,709	345,793	347,996	340,000	340,000

Measure	2014 Actual	2015 Actual	2016 Actual	2017 Adopted	2018 Proposed
Swimming Pool Revenues	\$5,020,413	\$5,212,516	\$5,185,925	\$5,314,100	\$5,339,101
Swimming Pool Cost Recovery	68.70%	70.70%	67.60%	68.80%	67.10%
Total Swimming Pool Budget	\$7,305,597	\$7,373,020	\$7,672,001	\$7,723,165	\$6,934,842
Total Positions (FTEs)	46.25	48.25	49.25	49.25	49.25

Support Community Engagement in Park and Recreation Service

Engage the community through meaningful volunteer opportunities

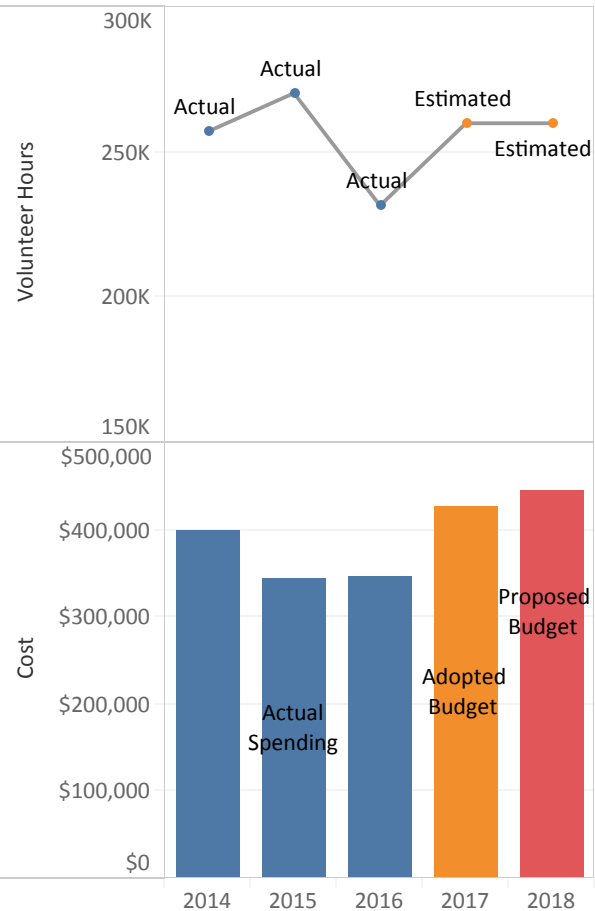
2018 Proposed Budget: \$445,247(2018)

Program Summary: Volunteers engaged in public service are the community leaders of today and tomorrow. By engaging in public service, volunteers build skills, get active, create community, meet neighbors, make new friends, invest in their neighborhoods, and bring new voices to decision-making processes. The Department of Parks and Recreation (DPR) employs Volunteer Programs Coordinators who recruit, register, supply, train and supervise volunteers. Additionally, staff at various work sites support volunteers through training, tools, materials, and provision of the administrative services volunteers need to succeed.

Past Performance: Between 2010 and 2013, there was an average of 360,866 volunteer hours donated by the community to support Parks and Recreation initiatives and programs per year. In 2014, hours declined to 257,152 and in 2015, there was an increase to 270,360 volunteer hours. In 2016, the hours declined to 231,675. Assuming a \$20 value of each hour, 257,152 equates to a \$5.4 million investment from our community volunteers.

2018 Goal Statement: Support a successful community engagement program by maintaining meaningful volunteer opportunities at 260,000 hours per year.

Expected Result: Increasingly, volunteers are demonstrating a preference for short-term, highly social, one-time opportunities, whereas previous volunteers committed to a particular program or project for years. Volunteers with regular duties, such as a steward at a forest restoration site, a basketball coach, or a math tutor, require much less staff support than volunteers for a single large event. Nevertheless, DPR is seeing these individual work parties grow in size, scope, and intensity as organizations look for ways their employees can give back to the community. Despite these changing conditions, DPR aims to maintain the current level of volunteer support.



Measure	2014 Actual	2015 Actual	2016 Actual	2017 Estimated	2018 Estimated
Number of Volunteer Hours	257,152	270,360	231,675	260,000	260,000
Cost to Administer Per Volunteer Hour	\$1.56	\$1.27	\$1.50	\$1.64	\$1.69

Measure	2014 Actual	2015 Actual	2016 Actual	2017 Adopted	2018 Proposed
Total Program Cost	\$399,957	\$344,224	\$346,749	\$427,390	\$445,247

Investing in the Library's Collection

Library Collections

2018 Proposed Budget: \$8,444,266 (2018)

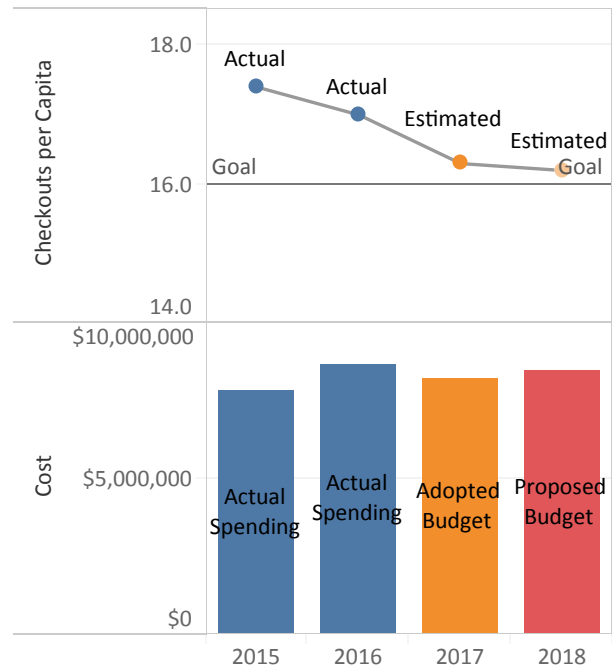
Program Summary: The Seattle Public Library provides access to lifelong learning and economic, social and cultural benefits for all. By providing free access to a vast range of educational, cultural and technological resources, the Library maintains the well-established and essential role of contributing to an informed and engaged community. Seattle is among the most literate cities in America, and as the city's population increases and changes, The Seattle Public Library's collections of books and other items will also need to grow and change to continue to serve a broad and diverse range of interests, literacy and lifelong learning needs, while ensuring equitable access to formats that patrons prefer or require.

Past Performance: Overall circulation in 2016 increased by 1% compared to 2015. Checkouts of physical books, DVDs and CDs have declined, while checkouts of digital materials, particularly streamed music, have increased. For more detail about our collections, please see:

<https://performance.seattle.gov/stat/goals/mfyh-i4i9/4q79-v3a2/qttv-cafw>

2018 Goal Statement: Maintain at least 16 checkouts of Library items per Seattle resident in 2018.

Expected Result: In 2017, the Library expects to see continued growth in circulation of digital materials and declines in physical materials. The Library continues to expand its digital offerings. In 2017, with levy funding, the Library launched Peak Picks, a new collection designed to make more popular, high-interest adult fiction and nonfiction print books available to patrons visiting the Library. Within the first two months of launch at eight pilot locations, Peak Picks books circulated 4.5 times more than books in the Library's regular adult fiction and non-fiction collection. This collection will expand systemwide in November 2017. In 2018, the Library expects continued growth in digital circulation and overall declines in physical circulation. Inflationary pressures in digital materials will likely reduce the Library's buying power and may slow the growth in digital circulation.



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Measure	2015 Actual	2016 Actual	2017 Estimated	2018 Estimated
Total Collection Size (all formats)	2,251,679	2,276,133	2,301,679	2,326,679
Checkout of Print Materials	5,680,255	5,406,698	5,261,417	5,036,360
Checkout of E-books/E-audiobooks	1,871,681	2,125,836	2,398,205	2,709,972
Checkout of CDs/DVDs/Audiobooks	3,262,493	2,918,637	2,662,797	2,426,037
Checkout of Downloadable/Streamed Music and Videos	363,542	908,942	961,678	1,067,462
Checkout of Other Materials	366,076	347,998	335,931	322,494
Total Checkouts	11,544,047	11,708,111	11,620,028	11,562,325
Seattle Population	662,400	686,800	713,000	714,547
Checkouts per Capita	17.4	17	16.3	16.2

Measure	2015 Actual	2016 Actual	2017 Adopted	2018 Proposed
Total Program Cost	\$7,812,666	\$8,633,374	\$8,184,825	\$8,444,266
General Fund/other Library revenues	\$6,484,323	\$7,481,638	\$7,084,825	\$7,244,266
Support from The Seattle Public Library Foundation	\$1,328,343	\$1,151,735	\$1,100,000	\$1,200,000

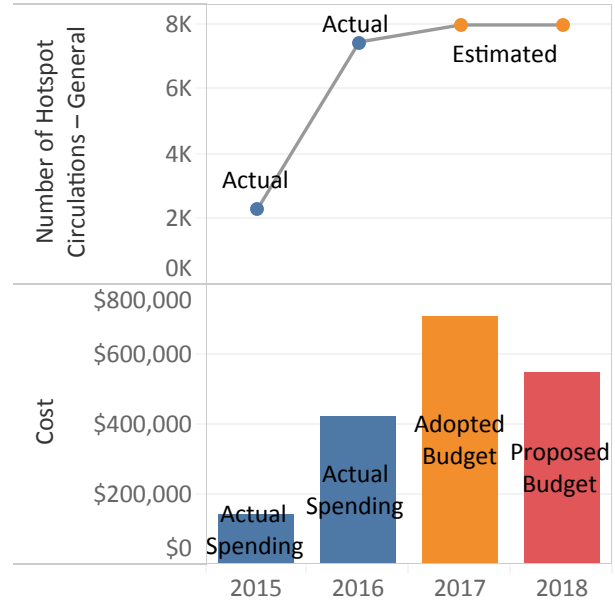
Investing in Digital Equity

Internet Access to Seattle residents

2018 Proposed Budget: \$548,022 (2018)

Program Summary: Computer access and technology literacy have become basic requirements in today's society. A 2014 City of Seattle Information Technology Access and Adoption report revealed that over 90,000 Seattle residents lacked internet access at home. The Seattle Public Library provides over 800 internet-enabled public computers system-wide, free Wi-Fi access at all of its branches and 825 mobile hotspots to allow patrons to borrow the internet. The Library provides hotspots for a three-week checkout period to all patrons through its general circulation program and offers longer checkouts through its outreach program. The Library's outreach hotspot program provides individualized digital instruction and extended hotspot lending periods to those most in need.

Past Performance: Beginning in May 2015, the Library began circulating 125 hotspots to patrons. By July, the Library increased that number to 325. In 2016, the program was expanded again to provide 575 hotspots in general circulation and 200 hotspots through outreach, which are designed to reach specific populations that have access barriers and provide longer term access and more specialized training and support. An additional 50 hotspots were added in 2017 with one-time Department of Neighborhoods' Youth Voice, Youth Choice funds. The Library circulated hotspots 7,475 times in 2016. The most recent survey of users of the Library's hotspot program shows that 41% of patrons who checked out a hotspot had no internet access at home and 31% reported that they had incomes of under \$20,000 per year. For more detail about the Library's digital access programs, please see: <https://performance.seattle.gov/stat/goals/mfyh-i4i9/4q79-v3a2/wspb-utwm>



2018 Goal Statement: Bridge digital divide by providing internet access to Seattle residents by lending up to 825 hotspots through general circulation and outreach in 2018.

Expected Result: In 2017, the Library expects to achieve hotspot circulation targets for its general circulation and outreach program. In 2018, the Library will have new financial resources to support 625 hotspots and will use prior year savings to maintain 2017 service levels. In early 2018, the Library anticipates completing a vendor selection process that may impact the number of devices available for circulation.

Measure	2015 Actual	2016 Actual	2017 Estimated	2018 Estimated
Number of Hotspot Devices	325	775	825	825
Number of Hotspot Circulations – General	2,349	7,475	8,000	8,000
Number of Hotspot Circulations - Outreach	46	323	500	500
Average cost per circulation - General (4-6 month loan)	NA	\$38	\$51	\$47
Average cost per circulation – Outreach (3 week loan)	NA	\$417	\$606	\$516

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Seattle Public Library

Measure	Submeasure	2015 Actual	2016 Actual	2017 Adopted	2018 Proposed
Total Program Cost	Cable Franchise Fees		\$257,457	\$450,000	\$452,000
	Levy Proceeds			\$93,099	\$96,022
	Support from The Seattle Public Library Foundation	\$141,435	\$164,999		
	Youth Voice, Youth Choice funds			\$165,000	
Grand Total		\$141,435	\$422,456	\$708,099	\$548,022

Measure	2015 Actual	2016 Actual	2017 Adopted	2018 Proposed
Budgeted FTE		0.5	2.5	2

Investing in our Immigrant Communities

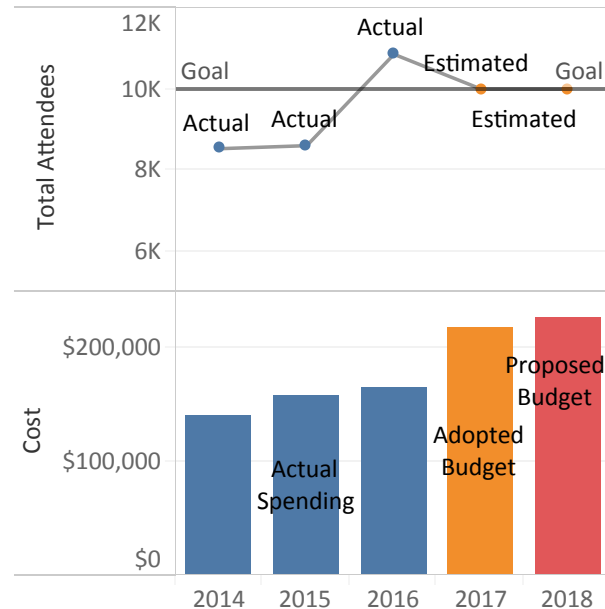
English Classes and Literacy Services

2018 Proposed Budget: \$ 227,075 (2018)

Program Summary: The Seattle Public Library plays a key role as a point of contact for many immigrants to Seattle who need help with English by providing basic English as a Second Language (ESL) and literacy services as well as classes that support the path to citizenship.

Past Performance: In 2016, the Library offered 444 ESL classes, 162 adult education tutoring sessions, 155 Talk Time sessions, and 142 citizenship classes, which reached over 10,800 attendees. These programs give adult learners opportunities to gain English language proficiency, achieve their citizenship goals and develop an understanding of the American culture and the United States governmental processes. The Library served a diverse group of participants from over 60 different countries and from ages 14 to 88. In late 2016, the Library unexpectedly lost access to the volunteer literacy and ESL instructors when our partner organization discontinued this service. The Library is now contracting with a vendor that provides paid instructors and assessment tools.

Goal Statement: Provide English language classes and literacy support for immigrants and native speakers to at least 10,000 program attendees in 2017.



Expected Result: In 2017-2018 the Library expects to see slightly higher numbers of attendees as it offers a different mix of programming and experiments with program times and locations for ESL programming. In 2017 the Library will begin implementing direct progress monitoring via CASAS (Comprehensive Adult Student Assessment Systems) testing for all participants in our ESL and literacy classes. The Library also plans to establish a baseline in order to measure the percentage of students that complete these programs and the rigorous requirements to become an American citizen.

Measure	2014 Actual	2015 Actual	2016 Actual	2017 Estimated	2018 Estimated
Number of Classes/Sessions	842	958	903	970	970
Total Attendees	8,532	8,607	10,859	10,000	10,000

Measure	2014 Actual	2015 Actual	2016 Actual	2017 Adopted	2018 Proposed
Total Program Cost (detail below):	\$140,863	\$158,770	\$165,601	\$218,094	\$227,075
General Fund/other Library revenues				\$160,829	\$164,083
Support from The Seattle Public Library Foundation	\$140,863	\$158,770	\$165,601	\$57,265	\$62,992
Average Cost per Attendee per Session	\$16.51	\$18.45	\$18.39	\$21.81	\$22.71

Investing in Student Success

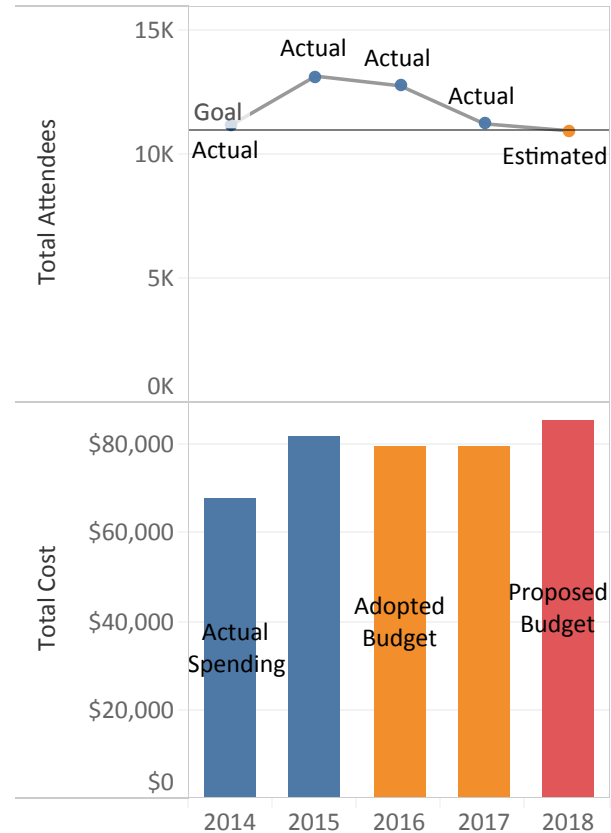
Homework Help

2018 Proposed Budget: \$85,316 (2017-18 SY)

Program Summary: All young people need to be engaged in a variety of high-quality learning experiences. The Seattle Public Library provides these experiences as part of its commitment to serve youth and families. Homework Help is a free, drop-in service designed to be a welcoming space to complete homework, gain academic skills and connect with Library resources.

Past Performance: During the 2016-17 school year, there were a total of 1,153 Homework Help sessions with an average attendance of nearly 10 students per session offered at 10 branches throughout the city. Overall, attendance declined by 1,500 compared to the prior year, and early elementary age student attendance declined by 17%. Attendance was down at Homework Help for three reasons; 1) Seattle Public Schools made homework optional for grades k-5, 2) bell times at Seattle Public Schools changed resulting in elementary school students getting to the Library earlier in the day and leaving before the start of the Homework Help sessions, and 3) both Beacon Hill and High Point branches were closed for several weeks during the school year for refurbishment. Despite these factors, the Library still served over 1,750 individual students. The most recent surveys show that 56 percent of students reported that Homework Help improved their grades. For more information on Homework Help, please see: <https://performance.seattle.gov/stat/goals/mfyh-i4i9/4q79-v3a2/ip8m-32ei>

2017-18 Goal Statement: Increase students’ academic success by maintaining a total of 11,000 attendees at Homework Help sessions during the 2017-18 school year.



Expected Result: The Library expects to maintain the level of homework help attendance achieved in the 2016-2017 school year, however, the temporary closure for refurbishment at Lake City Branch could affect results. The Library will offer homework help at 11 locations in 2017-2018, including a new homework help site at Greenwood Branch. The Seattle School District’s bell time schedule and elementary school homework policy are expected to continue to impact Homework Help attendance in the 2017-2018 school year.

In light of changes at Seattle Public Schools, the Library is evaluating the program and plans to add a skill building component. With the reduction of homework for elementary school age children, many parents are concerned that they cannot provide enrichment activities because of financial or language barriers. The Library will continue improving the quality of the program by investing in training for the volunteers who work with students, in addition to collecting feedback from program participants through surveys that are available in multiple languages.

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Measure	2014 2013-14 Actual	2015 2014-15 Actual	2016 2015-16 Actual	2017 2016-17 Actual	2018 2017-18 Estimated
Total Attendees	11,232	13,206	12,817	11,280	11,000
Average Students per Session	7.4	9.6	10.3	9.8	9.6
Number of Total Sessions	1,519	1,371	1,245	1,153	1,150

Measure	2014 2013-14 Actual	2015 2014-15 Actual	2016 2015-16 Adopted	2017 2016-17 Adopted	2018 2017-18 Proposed
Total Program Cost (detail below):	\$67,669	\$81,745	\$79,655	\$79,804	\$85,316
General Fund/other Library revenues	\$28,756	\$29,250	\$29,755	\$29,755	\$71,416
Support from The Seattle Public Library Foundation	\$38,913	\$52,495	\$49,900	\$49,329	\$13,900
Avg. Cost per Student per Session	\$6.02	\$6.19	\$6.21	\$7.01	\$7.76

Investing in Academic Success Promote 3rd Grade Reading Excellence

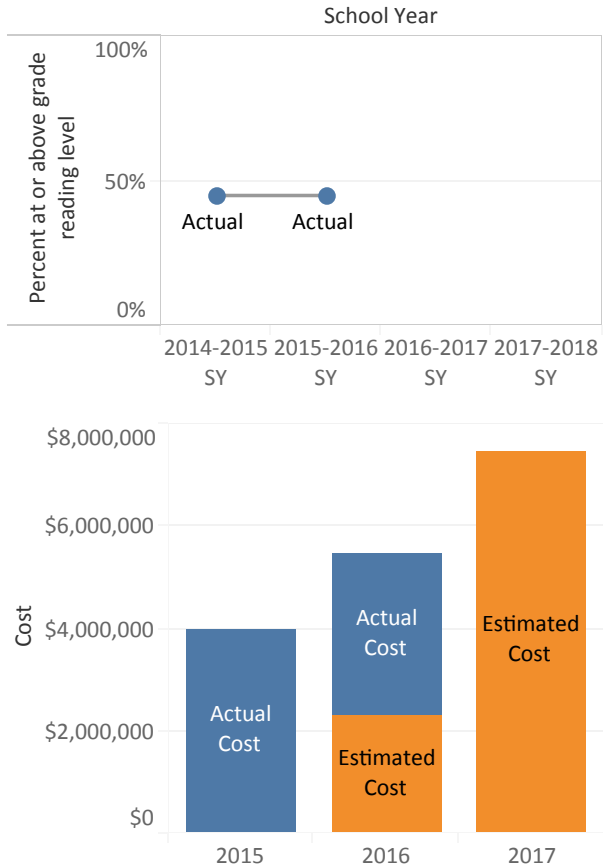
2018 Proposed Budget: \$8,331,995 (2018)

Program Summary: The ability to read by the end of third grade is a strong predictor of the likelihood a student will achieve continued academic success and graduate from high school. As of 2014, more than one in five third-grade students in Seattle Public Schools did not meet the standard on Washington’s third grade reading exam. The City’s Families and Education Levy (levy) investments in Innovation Elementary schools are designed to address this need by funding strategies and facilitating partnerships that enhance reading skills.

Past Performance: 45% of the third-grade students in levy-funded Innovation Elementary Schools met standard on the 2014-15 state English Language Arts exam. This performance level continued during the 2015-16 school year. Due to the transition to the new, more rigorous Smarter Balanced state assessments, which changed the way student proficiency was measured, years prior to the 2014-15 school year should not be compared. Over time, as levy-funded schools implement and refine their intervention strategies, DEEL expects to see an increase in average third-grade reading proficiency levels. The 2016-17 school year results will be available in late fall.

2017-18 Goal Statement: Increase the percentage of levy Innovation Elementary School third-graders reading at or above grade level.

Expected Result: Three new elementary schools will become Innovation Schools in 2016-17, bringing the total to 19. Implementation plans allow for a maximum of four additional schools to receive new funding in the 2017-18 school year. It is expected that the addition of Innovation Schools will increase the percent of levy elementary school third graders reading at or above grade level once programs are fully online.



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Department of Education and Early Learning

Measure	2014-2015 SY Actual	2015-2016 SY Actual	2016-2017 SY Estimated	2017-2018 SY Estimated
Number of Schools	12	16	19	21
Cost/School	\$293,833**	\$305,193	\$369,487	\$394,046
Percent of Levy Elementary School third graders reading at or above grade level****	45% of third graders met the standard on the 2014- 15 state English/ Language Arts exam	45% of third graders met standard on the 2015-16 state English/ Language Arts exam	Available fall 2017	

Measure	2015		2016		2017	
	2014-2015	2015-2016	2015-2016	2016-2017	2016-2017	2017-2018
	Actual	Actual	Actual	Estimated	Estimated	Estimated
Total Program Cost*	\$2,245,566	\$1,739,729	\$3,143,364	\$2,306,393	\$4,713,865	\$2,720,298

*Total Elementary Innovation investments provide reading, math, and English Language Learner supports to K-5 students

**Includes the 2014 portion of the 2014-15 SY actuals

***Includes the 2018 portion of the 2017-18 SY budget

****Previous years should not be compared to 2014-15 School Year (SY) due to the transition to the Smarter Balanced state assessment

Investing in Academic Success

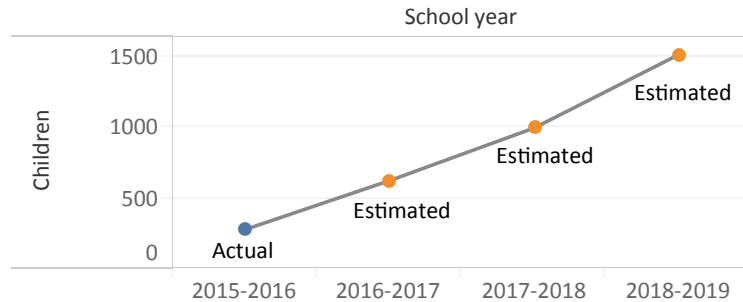
Work Toward Citywide Preschool

2018 Proposed Budget: \$20,602,337 (2018)

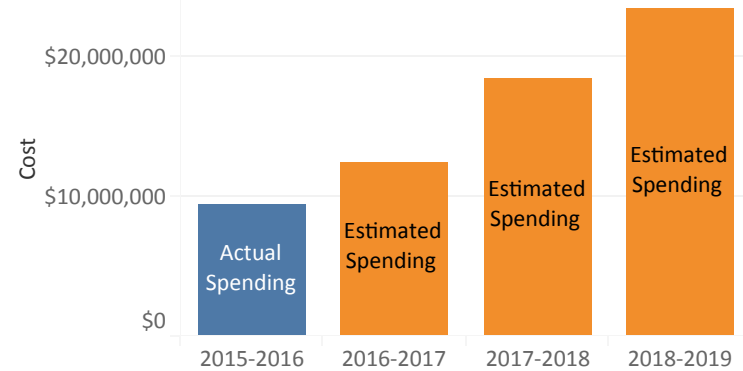
Program Summary: In Seattle today, economic and racial disparities persist in third-grade reading levels, fourth-grade math levels, and high school graduation rates. Over the last decade, research has shown that investments in high-quality early learning lead to better academic and life outcomes for children and families. The Seattle Preschool Program (SPP) expands access to high-quality preschool services for Seattle children.

Past Performance: In 2016-17, 627 children were served in 33 classrooms across the city. DEEL is making policy and process improvements to refine provider and child selection and improve participation as implementation progresses.

2018 Goal Statement: 1) Increase the number of children served in the Seattle Preschool Program to an estimated 1,000 in the 2017-18 school year. DEEL anticipates serving about 11% three- and four-year-olds by the end of the 2018-19 school year which amounts to about 1,500 students. 2) Determine what elements and structures are necessary to implement a high-quality and accessible city-wide preschool.



Expected Result: The SPP implementation plan increases the scale of services provided each year while also lowering the cost per child due to cost efficiencies. As seen in the SPP Budget and Outcomes Data table below, the per-student cost decreased from \$27,195 in 2015-16 to \$19,628 in 2016-17 – a 27% decrease.



	2015-2016	2016-2017	2017-2018	2018-2019
Measure	Actual	Estimated	Estimated	Estimated
Number of Classrooms	15	33	54	75-85
Number of Students	280	627	1,000	1,520
Program Cost (School Year)	\$9,426,870	\$12,385,371	\$18,420,589	\$23,373,952
Cost per Student*	\$33,667	\$19,753	\$18,421	\$15,378

	2015	2016	2017	2018
Measure	Actual	Actual	Estimated	Estimated
Program Cost (Fiscal Year)	\$3,760,816	\$8,673,497	\$14,056,803	\$20,602,337

*includes provider payments, in-house coaching and professional development, educator tuition assistance, facility development funds, and associated administrative costs

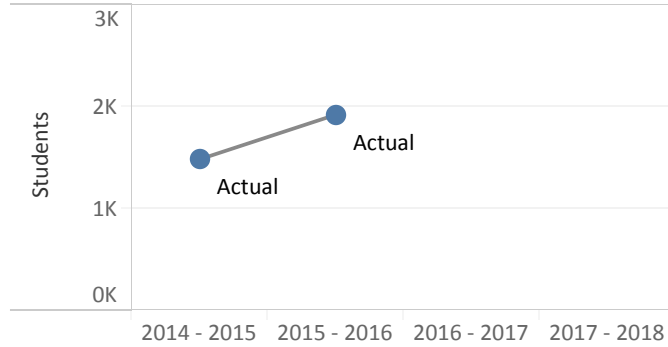
Investing in Academic Success

Promote Summer Learning

2018 Proposed Budget: \$3,699,987 (2018)

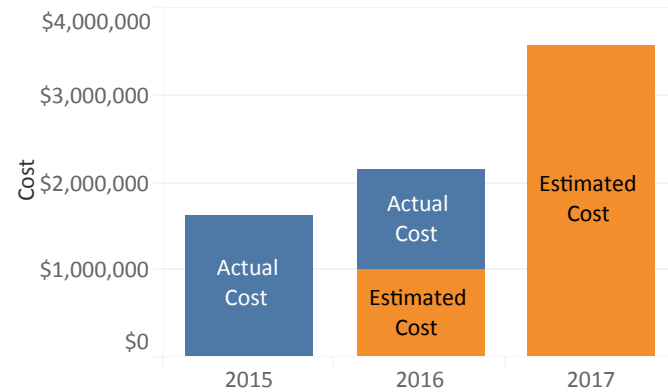
Program Summary: Research has shown that all young people experience learning losses when they do not engage in educational activities during the summer, but that low-income children experience greater summer learning losses than their higher-income peers. The Families and Education Levy (levy) funds summer learning opportunities provided by Seattle Public Schools and community-based organizations to mitigate summer learning loss.

Past Performance: 1,925 students attended levy-funded summer learning programs in 2016. The upward trend in students served will continue as additional funding becomes available in each year, per the levy implementation plan.



2017-18 Goal Statement: Increase the number of students served by summer learning programs funded by the Families and Education Levy.

Expected Result: DEEL expects the number of students served by summer learning programs funded by the Families and Education Levy to increase to 2,075 in 2017 and 2,430 in 2018. In the final funding period of summer 2019, the goal is to serve 3,000 students. Summer 2019 services are expected to reach approximately 26% of students not meeting grade-level standards on state assessments in Seattle Public Schools.



Measure	2014 - 2015 (SY) Actuals	2015 - 2016 (SY) Actuals	2016 - 2017 (SY) Estimated	2017 - 2018 (SY) Estimated
Number of Sites	25	38	50	50
Number of Students	1,488	1,925	TBD**	TBD
Cost per Student	\$1,047	\$960	TBD**	TBD

Measure	2015		2016		2017	
	2014 - 2015 Actual	2015 - 2016 Actual	2015 - 2016 Actual	2016 - 2017 Estimated	2016 - 2017 Estimated	2017 - 2018 Estimated
Total Program Cost	\$926,800	\$699,468	\$1,148,143	\$1,000,176	\$2,384,757	\$1,186,547

*Includes the 2014 portion of the 2014-15 SY actuals

**Summer program registration in progress

Investing in Academic Success

Promote Student Health

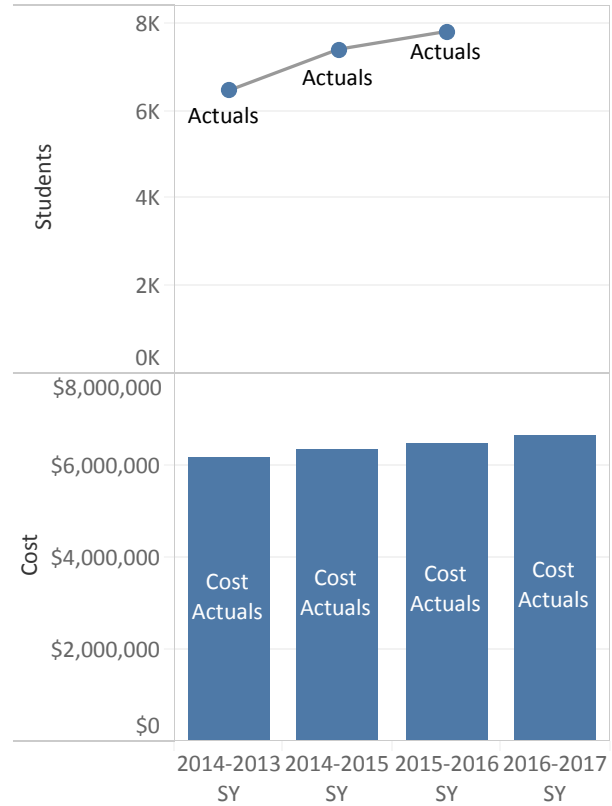
2018 Proposed Budget: \$6,816,491 (2018)

Program Summary: The Families and Education Levy (Levy) funds school-based health centers (SBHCs) in 26 schools to improve the academic performance and health of Seattle students. The Levy also funds school health support services (school nurses) who collaborate and coordinate with school-based health centers for improved student health and academic success. Research has demonstrated that healthy students learn better. Seattle students who use SBHCs have better attendance and grades than students who do not use these services.

Past Performance: Health services focus on three primary targets in middle and high schools they operate in (elementary schools have different targets): number of students served, attendance record of their students and the pass rate of their students. In 2015-16 school-based health center services supported 7,830 K-12 students. Of the students receiving school-based health center services and health support services (school nurses), 7,108 or 51% had fewer than 10 absences per year and in middle and high school, 8,443 or 75% of these students passed all their classes.

2018 Goal Statement: Health services will maintain their current service level for students. SBHCs will continue to provide full-time health providers, patient coordinators, and mental health providers at each of their sites.

Expected Result: Funding for SBHCs will remain stable for the remainder of the 2011 Families and Education Levy. Thus, DEEL does not expect that the number of students served will change substantially in 2017 and 2018.



Measure	2014-2013 SY Actuals	2014-2015 SY Actuals	2015-2016 SY Actuals	2016-2017 SY Actuals
Number of Sites	25	25	25	25
Number of students	6,484	7,419	7,830	Not Available
Measure	2014 Actuals	2015 Actuals	2016 Actuals	2017 Actuals
Total Program Cost	\$6,187,472	\$6,335,971	\$6,494,371	\$6,656,729

Domestic Violence and Sexual Assault Support

Addressing Gender-Based Violence

2018 Proposed Budget: \$3,155,626 (2018)

Program Summary: Each year the Human Services Department (HSD) invests more than \$5 million in services and programs to address domestic violence, sexual assault, commercial sexual exploitation, prevention, intervention, coordinated response, and offenders’ accountability programs. These investments include programs that deliver support to populations with limited or no English proficiency.

Past Performance: HSD aims to increase access for survivors of gender-based violence and their family, specifically those from marginalized communities. An additional 80 clients will be served via investments in DV Community Advocacy, Sexual Assault Victim Services, and/or Commercial Sexual Exploitation Victim Services.

Expected Result: Because of the increase in funding in the 2018 Proposed Budget, HSD estimates that contracted providers will serve a higher number of clients in 2018 than in 2017. The department will continue to work towards increasing equity and decreasing disparities.



Measure	2014 Actual	2015 Actual	2016 Actual	2017 Estimated	2018 Estimated
Cost per client served	\$1,763	\$1,731	\$584	\$1,070	\$1,070
Number of individuals receiving support services *	2,548	2,627	4,176	2,948†	2,948

Measure	2014 Actual	2015 Actual	2016 Actual	2017 Adopted	2018 Proposed
Total Program Cost	\$4,490,901	\$4,547,154	\$2,438,752	\$3,155,626	\$3,155,626

*The reported “Actual number of individuals receiving support services” only accounts for gender-based violence investments in direct supportive services. To decrease duplicate services, this number is limited to investments in: DV Community Advocacy, Sexual Assault Victim Services, and Commercial Sexual Exploitation Victim Services. The number does not include: DV Emergency Shelter, DV Transitional Housing, DV Legal Assistance, DV After Hours Cell Phone, Batterer Intervention Services, and Gender-Based Violence Prevention.

† The 2017 estimate is the contracted capacity with providers.

Emergency Meals*

Emergency Meals to Persons and Families Without Sufficient Resources

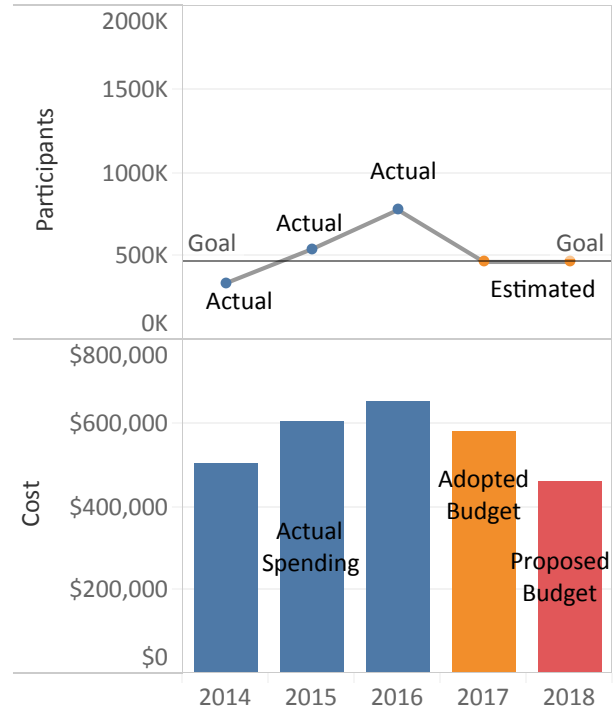
2018 Proposed Budget: \$461,735 (2018)

Program Summary: Each year, the Seattle Human Services Department (HSD) helps people meet their basic nutritional needs by investing in emergency meal programs for people who are homeless or low income.

Past Performance: From 2015 to 2016 the number of emergency meals provided to the community increased by more than 200,000 meals to 778,692.

2018 Goal Statement: Provide sufficient quantity of emergency meals to meet the needs of those without sufficient resources.

Expected Result: The current estimate listed is for the contracted capacity with providers. However, because of a continued partnership between emergency meal programs and King County Mobile Medical Van, HSD may have additional capacity to serve more emergency meals in 2018 beyond the provided estimate.



Measure	2014 Actual	2015 Actual	2016 Actual	2017 Estimated	2018 Estimated
Cost per participant served	\$1.48	\$1.11	\$0.84	\$1.24	\$0.99
Number of individuals received emergency meals	340,138	544,036	778,692	467,330†	467,330

Measure	2014 Actual	2015 Actual	2016 Actual	2017 Adopted	2018 Proposed
Total Program Cost	\$503,723	\$605,305	\$653,282	\$581,298	\$461,735

*Previously this area reported emergency meals and food. However, to bring this into alignment with other reporting—Performance.gov and monthly reports to the Human Services Public Health City Council Committee—HSD has updated to report only emergency meals. 2014-2016 actuals for past performance were updated based on this change.

† The 2017 estimate is the contracted capacity with providers.

Homeless Shelters

Provide Shelter and Access to Housing Options for Homeless Persons and Families

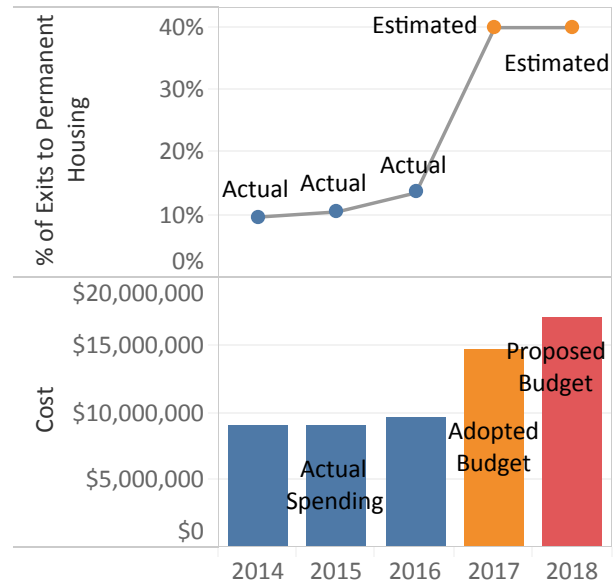
2018 Proposed Budget: \$16,985,426 (2018)

Program Summary: The 2017 Point in Time Count of individuals experiencing homelessness in Seattle/King County showed 5,485 unsheltered persons without a place to sleep. In response to the growing homeless population, the Human Services Department (HSD) implemented the Pathways Home initiative in September 2016. This initiative provides a framework for reducing unsheltered homelessness and increasing the speed and efficiency in which people move from homelessness to permanent housing.

Past Performance: In 2016, the “% of Exits to Permanent Housing” from shelter to permanent housing was 13.6%. A major focus of Pathways Home is to increase this percentage. To achieve this goal, HSD is supporting shelter providers with technical assistance and training so they are better equipped to exit people to permanent housing

2018 Goal Statement: Decrease length of stay in homeless shelters and decrease rate of shelter clients returning to homelessness.

Expected Result: Increase shelter exits to permanent housing to meet targets identified in Appendix D of the Pathways Home Action Plan: <https://www.seattle.gov/Documents/Departments/pathwayshome/ActionPlan.pdf>



Measure	2014 Actual	2015 Actual	2016 Actual	2017 Estimated	2018 Estimated
Length of Stay (Average Bed Nights)	43	45	45	45	20
Returns to Homelessness*	1.69%	2.69%	1.94%	10%	10%
# of Exits to Permanent Housing †	842	992	1,270	1,500	1,800
% of Exits to Permanent Housing	9.73%	10.56%	13.60%	40%	40%

Measure	2014 Actual	2015 Actual	2016 Actual	2017 Adopted	2018 Proposed
Total Program Cost ‡	\$9,009,662	\$9,005,219	\$9,703,434	\$14,653,426	\$16,985,426

* 2014 and 2015 actuals and estimates for past performance were updated due to a change in calculation methodology, which brings this reporting framework into alignment with Pathways Home and our Continuum of Care’s new system-wide data and reporting framework.

† This measure was included in 2016 to bring this report into alignment with Pathways Home and our Continuum of Care’s new system-wide data and reporting framework.

‡ Figures above do not include staffing costs for HSD. The 2017 Adopted and 2018 Endorsed budget figures only include emergency shelter services. They do not include rapid rehousing, transitional housing, street outreach or other homeless services.

Senior Centers

Older Adults Improve their Health through Senior Center Participation

2018 Proposed Budget: \$1,635,418 (2018)

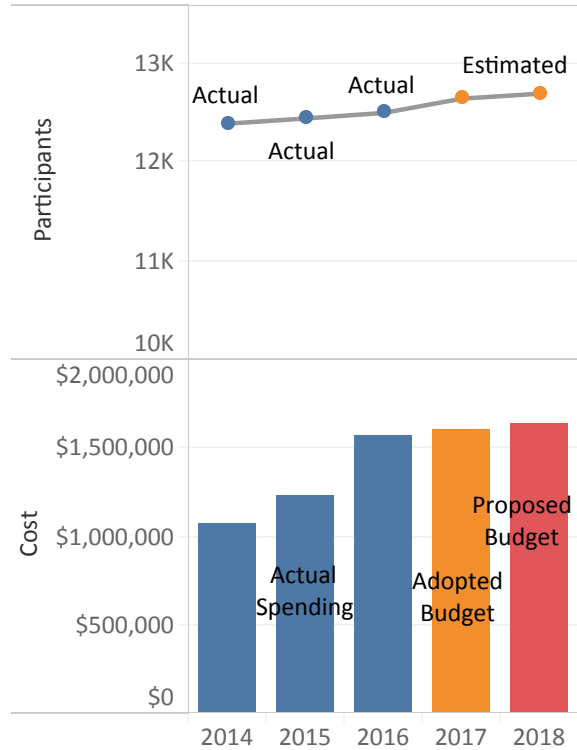
Program Summary: Senior Centers are places where older adults can access a range of activities and services to improve their health, wellbeing, and independence. Senior Centers are also important community and neighborhood hubs that raise awareness of aging issues, promote aging readiness, and generate support for healthy aging.

Past Performance: In 2016, the Human Services Department (HSD) continued tracking the impact of Senior Center programs with the Senior Center Consumer Satisfaction survey. For 2016, 95% of participants reported improved physical health and 96% reported increased ability to maintain independence. While the total number of participants leveled off slightly in 2016, participants of color increased to 58%.

2018 Goal Statement:

- 1) Measure the rate of older adults reporting improved health as a result of participating in Senior Center programs.
- 2) Increase the number of older adults participating in Senior Center programs, particularly older adults of color.

Expected Result: The number of seniors in northeast Seattle participating in Senior Center activities will grow as a result of the program in this geographic region expanding its reach. In 2017-2018, HSD will continue to work with the centers to strengthen demographic data collection. HSD will also disaggregate outcome survey results so that disparity data can be evaluated.



Measure	2014 Actual	2015 Actual	2016 Actual	2017 Estimated	2018 Estimated
Number of Senior Center participants	12,396	12,449	12,505	12,650	12,700
% participants of color	39%	45%	58%	50%	50%
% reporting improved health	96%	95%	96%	96%	

Measure	2014 Actual	2015 Actual	2016 Actual	2017 Adopted	2018 Proposed
Total Program Cost	\$1,078,266	\$1,236,093	\$1,571,025	\$1,600,522	\$1,635,418

Youth Employment

Provide youth and young adults with meaningful employment opportunities

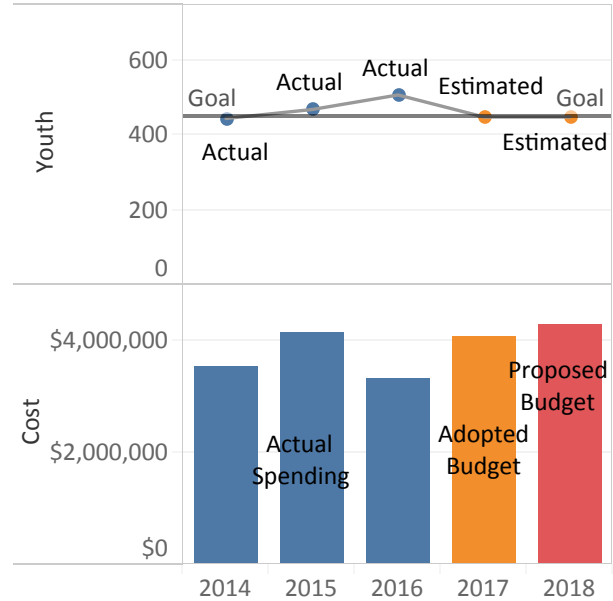
2018 Proposed Budget: \$4,298,391 (2018)

Program Summary: The Seattle Youth Employment Program (SYEP) offers underserved youth and young adults meaningful employment opportunities that serve as a critical first step on the pathway to post-secondary attainment and adult employment. Internships and short-term, entry level jobs are offered by City departments, as well as private sector partners. The Human Services Department (HSD) provides funding for 450 paid positions, while private sector employers provide funding for the remainder of the positions.

Past Performance: 509 youth were placed in internship in 2016, an increase from past years.

2018 Goal Statement: Place 450 youth in HSD-funded internships by December 31, 2017.

Expected Result: The current estimate of 450 youth placed in internships for 2017 and 2018 is informed by the contracted capacity with providers. The funding for the SYEP program will continue at level funding in 2017 and 2018, which will ensure support for 450 youth internships each year.



Measure	2014 Actual	2015 Actual	2016 Actual	2017 Estimated	2018 Estimated
Number of youth placed in internships	446	470	509	450 *	450 *
Cost per youth served	\$7,935	\$8,802	\$6,527†	\$9,027	\$9,552

Measure	2014 Actual	2015 Actual	2016 Actual	2017 Adopted	2018 Proposed
Total Program Cost	\$3,538,911	\$4,136,710	\$3,322,420†	\$4,061,930	\$4,298,391

* HSD supports a total of 800-1000 internships citywide per year. Of these total internships, 450 are funded by HSD. Due to cost savings in 2016, HSD had the ability to supported 509 youth.

†In 2016, SYEP’s expenses were reduced due to the following:

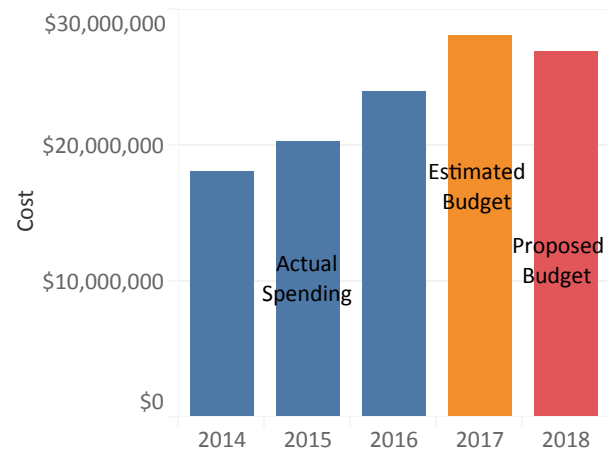
- HSD partnered with SDOT to provide ORCA cards to SYEP youth. This partnership decreased program transportation costs which is a large part of support services for the interns.
- SYEP’s share of the rent for the Central Building was decreased due to other HSD programs being relocated to the same floor as SYEP
- HSD piloted a year-round program using fewer staff than planned. After careful analysis, the program shifted to a summer only model for 2017 which will require additional summer staff.

Efficient processing of construction permits**From intake to issue***2018 Proposed Budget: \$26,895,000*

Program Summary: Building Construction permits are a key way in which the City of Seattle regulates the life safety aspects of buildings and code compliance. These Construction permit applications fall into four distinct categories: Simple, Medium, Complex (less than eight hours of estimated IP review) and Super Complex (eight hours or more of estimated IP review). See table footnote for distinction between categories.

Past Performance: Building Construction permit issue volume decreased 2.52% in 2016 as compared to 2015; increased 2.80% in 2015 as compared to 2014. 2017 is trending to be on pace with 2015 performance target turnaround times but subject to moderate swings in performance due to the volume of the work being issued. Estimates for performance in 2017 are based on January to August 2017 actuals.

2018 Goal Statement: The days described in the goals below represent the measure of time from intake to the point at which the permit is ready to issue. Goals vary depending on the complexity of the permit issued. More complex permits typically require additional time spent in review cycles, which includes the time it takes the applicant to make any necessary corrections or changes to the plan. In addition to calendar time, SDCI anticipates the ability to better manage and measure 'stop-clock' time when the new permitting system is implemented. Stop-clock time will help SDCI better understand the root cause of delays in the permit process by measuring actual SDCI in-process time.



Expected Result: SDCI anticipates the number of construction permits will stay approximately the same through 2018 and expects steady improvements in performance due to the hiring and training of new staff to manage the increased workload. SDCI anticipates a slight drop in performance in 2017 and 2018 due to increased review backlogs created by a surge of Complex Permit projects at the end of 2016 that demand more review time.

Measure	Goal	2014 Actual	2015 Actual	2016 Actual	2017 Estimated	2018 Proposed
Simple Permit	100% in 30 days	98% (2647/2701)	99% (2661/2687)	99% (2969/2995)	99% (3276/3295)	99% (3276/3295)
Medium Permit	100% in 60 days	81% (2027/2488)	84% (2149/2562)	77% (2082/2706)	77% (2160/2800)	77% (2160/2800)
Complex Permit	100% in 90 days	27% (223/814)	32% (282/884)	31% (276/892)	21% (188/890)	21% (188/890)
Super Complex Permit	100% in 120 days	51% (163/321)	48% (175/368)	29% (105/368)	28% (72/255)	28% (72/255)

Measure	2014	2015	2016	2017	2018
Total Program Cost	\$18,047,243	\$20,220,877	\$24,035,509	\$28,128,000	\$26,895,000

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Seattle Department of Construction and Inspections

The parenthesis describes: (the number of permits that met the goal/the total number of permits)

Simple include FIELD and FULL Plan Review Types (<1 hour); Medium includes FULL + Plan Review Types (1-4 hours);

Simple and Medium – Projects that typically fall into these categories are home additions and alterations, small business tenant improvements, site work permits for retaining walls, Project Impact seismic retrofits, etc. Complex includes FULL-C Plan Review Types (4-8 hours);

Complex – Projects that typically fall into this category are new single family homes, larger home additions and alterations, larger business tenant improvements, small multi-family buildings (townhouses, rowhouses), etc.

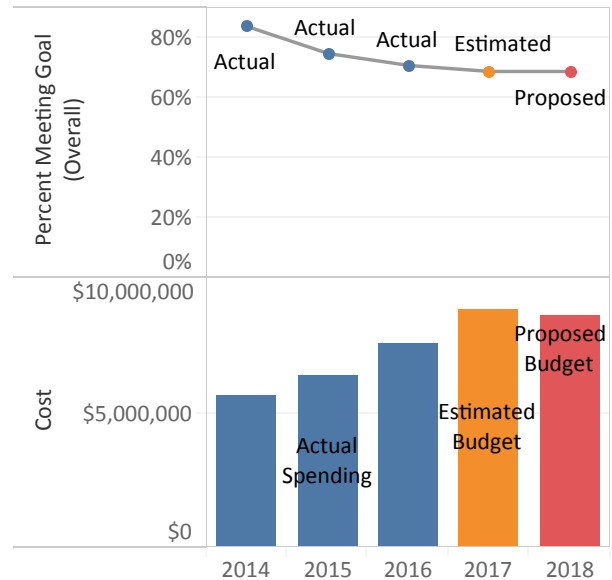
Super Complex FULL-C Plan Review Types (>8 hours). Super Complex – Projects that typically fall into this category are large new buildings, substantial alterations to existing buildings, new high rise buildings, etc.

*Total program costs reflect business units performing related construction permitting tasks, however, this may include other costs indirectly related to the processing of construction permits.

Efficient processing of land use permits**From intake to published decision***2018 Proposed Budget: \$8,566,000*

Program Summary: Land use permits provide a method to track and monitor land use changes and its impact to the public or environment. Land Use permit applications fall into four distinct categories: Simple, Medium, Complex and Super Complex. See table footnote for distinction between categories. Medium, complex, and super-complex projects are reviewed by a different planner group than the planners who review the simple permits. Breaking the performance into these categories will better highlight where SDCI has performance gaps, staffing shortages, or system issues.

Past Performance: Land use permit application volume decreased -2.66% in 2016 as compared to 2015; increased about 20% in 2015 as compared to 2014. Simple permits take approximately 10 hours of staff time whereas Complex permits can take 60-150 hours to review. Therefore, a doubling of complex permits between 2014 and 2015 has had effects on performance in Medium, Complex, and Super Complex permit categories. Overall 2016 was comparable to 2015 performance, which was below 2014 performance based on percent of land use permits issued within the time stated in the goal. In 2016 SDCI estimated there will be fewer decisions but similar overall performance as compared to 2015 volumes. Actual 2016 overall performance showed an additional 94 published decisions as compared to 2015. Estimates for 2017 performance are based on January thru April 2017 data.



2018 Goal Statement: The City of Seattle established a goal of 120 days from intake to issue of a published decision for Land Use Permits, except for Super Complex Council permits. Goals vary depending on the complexity of permit issued. More complex permits typically require additional time spent in Early Design Guidance (EDG), board and/or public meetings, as well as additional review cycles.

Expected Result: To help improve the timeliness of permit processing, SDCI has been hiring and training new staff to manage the increased workload. SDCI anticipates the number of land use permits will stay approximately the same through 2018 with a slight decrease in performance.

Measure	Goal Description	2014	2015	2016	2017	2018
		Actual	Actual	Actual	Estimated	Proposed
Simple Permit	90% in 120 days stop clock	98% (373/379)	95% (439/464)	90% (492/545)	90% (411/456)	90% (411/456)
Medium Permit	80% in 120 days stop clock	77% (167/217)	59% (132/225)	60% (131/218)	53% (114/216)	53% (114/216)
Complex Permit	50% in 120 days stop clock	32% (25/77)	24% (24/101)	7% (9/122)	23% (27/120)	23% (27/120)
Super Complex Permit	25% in 120 days stop clock	71% (5/7)	22% (2/9)	10% (1/9)	10% (1/9)	10% (1/9)
Overall Performance	-	84% (570/680)	75% (597/799)	71% (633/895)	69% (553/801)	69% (553/801)
Total Program Cost	-	\$5,622,812	\$6,358,993	\$7,583,408	\$8,804,000	\$8,566,000

(Continued on next page)

The parenthesis describes: (the number of permits that met the goal/the total number of permits)

Simple include Short Plats, Lot Boundary Adjustments (LBAs), ACU for minor telecoms.

Medium include variances, SEPA only; Public School Departures; Shoreline Substantial Development Permits (SSDP), Conditional Uses); Admin DR*, and Temporary Uses State Environmental Policy Act (SEPA) reviews for Environmentally Critical Areas (ECA).

Complex include design review and full subdivisions.

Super complex includes Council land use actions such as Major Institution Master Plans, Rezones, Council Conditional Uses, projects with triggering an Environmental Impact Statement (EIS) and public/city projects. These projects are often controversial and involve extensive community engagement which extends the review period past 120 days.

* Total program cost reflects business unit performing related land use permitting tasks, however, this may include other costs indirectly related to the processing of land use permits.

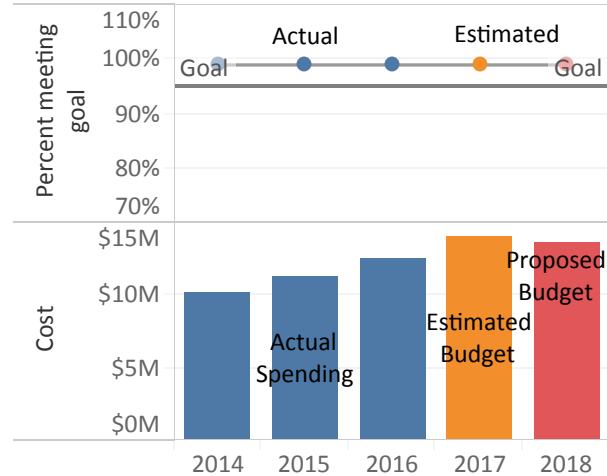
Conduct timely inspections

From request to inspection

2018 Proposed Budget: \$13,641,000

Program Summary: The Inspection Services Division promotes public safety and welfare by providing timely inspections to assure construction projects meet minimum safety and efficiency standards established by City ordinance. Inspections are required in the construction project timeline and are initiated at certain key points during construction to ensure compliance with the safety standards applicable to the project in development. The construction cannot proceed until an inspector gives approval to do so, and therefore timeliness on the part of the inspectors is essential to customer production schedules.

Past Performance: Inspection results are reported for electrical and construction permits. Both inspection types performed above the target goal in 2014, 2015 and 2016. The goal is to complete 95% of requested inspections within one business day of the customer requesting an inspection. Construction-related inspections performed at the target goal of a one day turnaround 100% of the time, both construction and electrical permit inspections met the goal 99% of the time in 2014, 2015 and 2016. In 2016 SDCI saw an increase in the volume of inspections for most permit types and have added staff to maintain the quality of service. Estimates inspection performance for 2017 is based on the first four months of data (January – April 2017).



2018 Goal Statement: The Inspection Services Division has an established goal to complete 95% of requested inspections within one business day of the customer requesting an inspection.

Expected Results: Overall performance has been achieved despite increasing volumes. In 2016 SDCI added additional staff to maintain timely and quality work. SDCI anticipates performance will remain consistent for 2016, 2017 and 2018.

Measure	2014 Actual	2015 Actual	2016 Actual	2017 Estimated	2018 Proposed
Construction inspections	99% (63,464/64,019)	99% (70,250/70,315)	99% (77,174/77,347)	99% (78,255/78,561)	99% (78,000/78,300)
Electrical inspections	99% (71,069/71,153)	99% (78,425/78,495)	99% (84,311/84,363)	99% (84,660/84,714)	99% (84,000/84,050)
Total Performance	99% (134,533/ 135,172)	99% (148,675/ 148,810)	99% (161,485/ 161,710)	99% (162,915/ 163,275)	99% (162,000/ 162,350)

Measure	2014 Actual	2015 Actual	2016 Actual	2017 Estimated	2018 Proposed
Total Program Cost	\$10,226,245	\$11,333,454	\$12,486,290	\$14,011,000	\$13,641,000

* Construction Permits = Building, Mechanical, Demolition, Blanket TI, Site permits

Code compliance response times

Response to code complaints

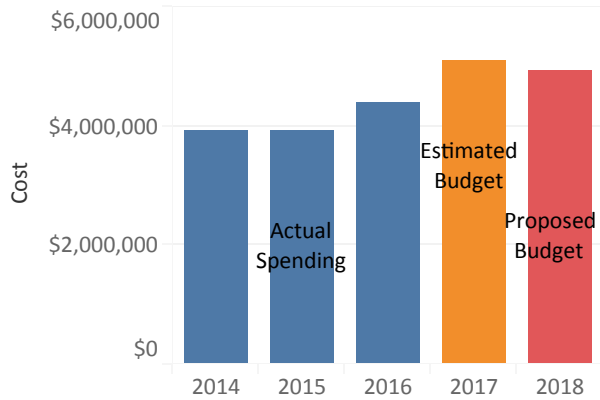
2018 Proposed Budget: \$4,927,000

Program Summary: A quick response to complaints is key to identifying potentially unsafe or uninhabitable conditions as well as issues that can create blight in a neighborhood if left unaddressed. The sooner SDCI responds, the more quickly they can work with responsible parties to solve problems.

Past Performance: Code Compliance had a 7% increase in complaint volumes between 2015 and 2016 for the complaint categories reported below: emergency housing, non-emergency housing, zoning, and construction. Code Compliance focuses on emergency housing complaints as its top priority and achieved a one-day turnaround goal in all but one case in 2016. Total housing complaints showed a slight increase, but the number of emergency housing complaints dropped by about 33%. The number of emergency complaints varies widely year to year. For construction related complaints, performance was roughly the same in 2016 although the number of complaints increased by 16.5%. Response to zoning complaints improved slightly.

For 2017, SDCI anticipates complaint volumes will remain about the same or increase slightly from 2016. Estimates for 2017 performance are based on the first three months of data (January – March 2017).

2018 Goal Statement: Different types of complaints have different response time goals, depending primarily on whether safety issues are present. Emergency housing complaints have a goal of a response within one working day, while the goal for zoning complaints is 80% within 10 working days. The goal for response to construction complaints is 80% within five working days.



Expected Result: If total complaints increase in 2017 and 2018 beyond the small levels projected, housing, zoning and construction inspector staffing will be strained and performance will decrease.

Measure	Goal Description	2014 Actual	2015 Actual	2016 Actual	2017 Estimated	2018 Proposed
Construction, including tree and site issues	80% within 5 working days	79% (964/1219)	85% (1117/1315)	83% (1270/1532)	80% (1274/1592)	80% (1325/1656)
Emergency Housing Complaints	1 working day	99% (79/80)	96% (58/61)	98% (40/41)	100% (60/60)	100% (61/61)
Housing Code (non-emergency)	80% within 7 working days	91% (360/394)	89% (358/404)	84% (370/438)	85% (380/447)	85% (387/456)
Zoning	80% within 10 working days	80% (1240/1546)	75% (1324/1758)	83% (1482/1794)	80% (1464/1830)	80% (1493/1866)
Measure		2014 Actual	2015 Actual	2016 Actual	2017 Estimated	2018 Proposed
Total Program Cost		\$3,932,882	\$3,920,142	\$4,407,415	\$5,080,000	\$4,927,000

The parenthesis describes: (the number of complaint responses that met the goal/the total number of complaints)

* Total program cost includes costs indirectly or not related to Housing, Zoning, and Construction complaints, such as Property Owner & Tenant Assistance, Weeds, Noise, Shorelines, Vacant Buildings, and Unfit Buildings.

Investing in 2016 affordable housing levy goals

2009 and 2016 Housing Levy Status

Anticipated Collections from 2016 Levy: \$37.8 million in 2018 Proposed Budget

Program Summary: At the completion of its seventh and final year, the 2009 Housing Levy met its promise to Seattle voters. Each levy program has exceeded its performance goal by the end of 2016.

In August 2016 Seattle voters approved a new seven-year, \$290-million housing levy to produce affordable housing for seniors, people with disabilities, low-wage workers, and people experiencing homelessness. The levy will also provide funding for homelessness prevention and homeownership assistance. This levy replaces the 2009 Housing Levy, which expired at the end of 2016.

Since the 2016 Levy put out its first Notice of Funding Availability (NOFA) in fall of 2017 and currently has no measures to report on, this document reports on 2009 Housing Levy outcomes.

Past Performance: Each program of the 2009 Housing Levy met or exceeded goals promised to Seattle voters.

2018 Goal Statement: Meet or exceed levy goals set in the 2016 Housing Levy (see 2016 Levy Goals below)

Expected Result: We expect to meet or exceed goals set in the 2016 Housing Levy. We will begin to report on outcomes in 2018.

Levy Program	2009 Housing Levy Funding		Housing Produced		
	Total Levy Funding: 2010-2016	Funding Committed: 2010-2015	Levy Goals: 2010-2016	Housing Outcomes: 2010-2016	Levy Goals: 2017-2023
Rental Production & Preservation	\$104,000,000	\$88,500,000	1,670	2,527 added, plus 410 reinvested	2,150 added, plus 350 reinvested
Acquisition & Opportunity Loans	\$6,500,000	\$7,900,000	175	234	TBD
Operating & Maintenance	\$14,400,000	\$12,000,000	220	220	510
Rental Assistance/ Homelessness Prevention (HSD)	\$4,250,000	\$3,400,000	3025 households (2012-2016)	3,025 households (2012-2016)	4,500 households
Homebuyer Assistance	\$9,100,000	\$5,800,000	180 closed loans	191 home purchases	280 closed loans

Increasing availability of affordable housing

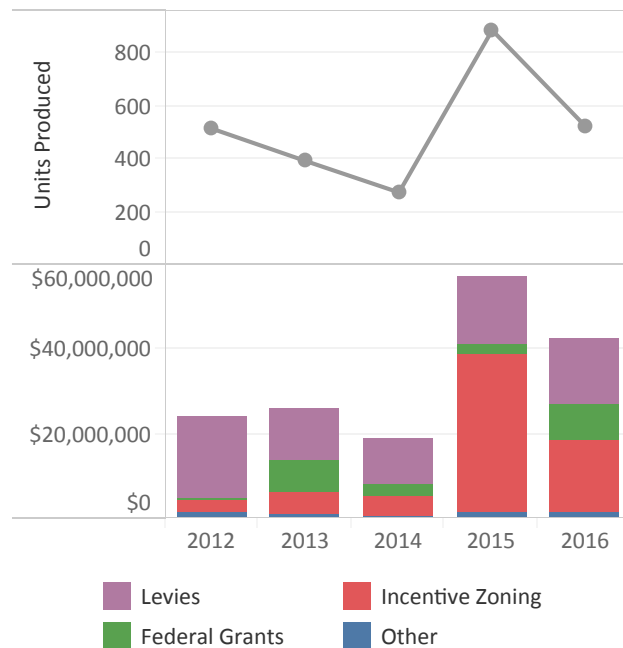
City funds awarded for rental production

2018 Proposed Budget: \$28.7M each year from levy; supplemented by incentive zoning revenues, federal grants, and program income.

Program Summary: The Office of Housing (OH) supports the preservation and production of affordable rental housing through long-term loans to multifamily developers in Seattle. There are currently over 300 buildings that have received funding through OH, which are inspected by the Asset Management team to ensure compliance, quality, health, and safety.

Past Performance: By the end of 2016, there was a total of 12,949 affordable units created or in development through the Rental Housing program as low income housing. The city leveraged \$3.35 for every dollar committed in 2016. The unpredictable nature of Incentive Zoning revenues is responsible for the variation in available funds from 2015 to 2016.

2018 Goal Statement: Using strategies identified in the Housing and Livability Agenda (HALA), the City of Seattle has an overarching goal to add 20,000 affordable housing units between the years of 2015-2025. These units are funded through a variety of sources, including the Housing Levy. A new Mandatory Housing Affordability (MHA) program provides the regulatory framework necessary to require development projects to contribute to affordable housing, either provided on-site or through a cash contribution used to create affordable housing throughout Seattle. OH expects to produce approximately 5,000 new affordable units through payments. OH also expects another 1,000 units to be added on site in new developments. The specific number of units created in the 2017-2018 biennium is dependent upon implementing zoning changes throughout the city. The Seattle Housing Levy, renewed in 2016, has a 7-year production target of 2,150 units, over 600 of which are expected to be created in the 2017-2018 timeframe.



Expected Result: Affordable rental unit production is funded partially by the Housing Levy that was renewed in 2016 and will generate steady affordable housing funding over the coming 7 years. OH anticipates that other City fund sources, including proceeds of Incentive Zoning and MHA programs, will likely remain high through 2016, 2017 and 2018. However, because new construction is largely driven by market forces this fund source is expected to oscillate over time in parallel with the housing market. Ultimate unit production depends also on City dollars' leverage of other sources of funding including state, federal, and private funds.

Measure	2012 Actuals	2013 Actuals	2014 Actuals	2015 Actuals	2016 Actuals
Affordable units produced or preserved	516	394	275	890**	526
Total Funding awarded (see above table for detail)	\$23,922,781	\$25,989,792	\$19,035,061	\$57,174,024	\$42,666,448
Amount of public and private funds leveraged with each City dollar	\$4.80	\$2.97	\$3.67	\$3.44	\$3.35

*Levy dollars include funds from all levies that were made available through the NOFA in that year.

**26 additional, already affordable units, were recapitalized as part of the 2015 funding awards.

Reducing household expenses for low-income families

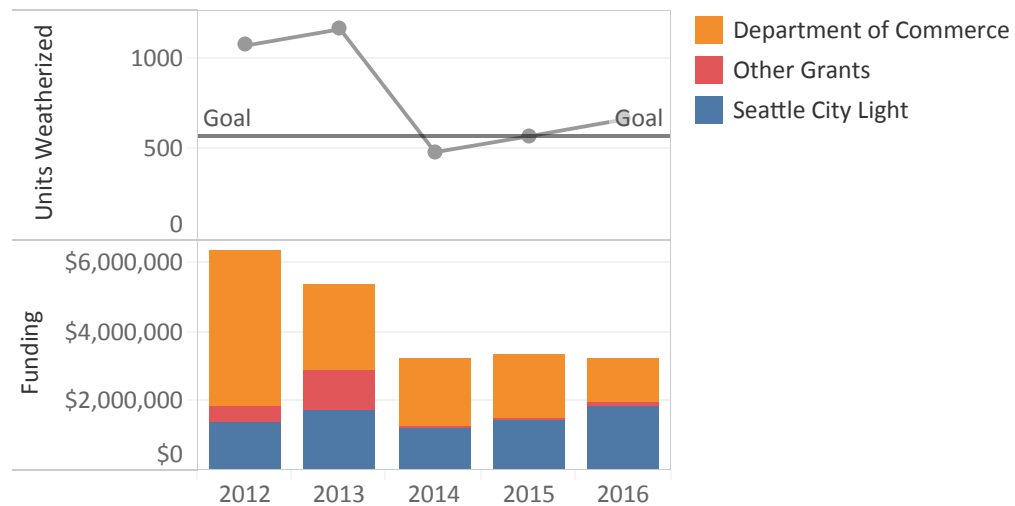
City funds expended for weatherization

2018 Proposed Budget: \$3.5M (2018)

Program Summary: Utilities are one of a household's greatest expenses. The HomeWise Weatherization Program provides free energy efficiency improvements to qualified homes, increasing comfort, saving energy, and reducing housing cost. Improvements could include energy audits, insulation, air sealing, refrigerator replacements, furnace repair or replacement, and heat pump installation. HomeWise provides services to low-income homeowners and renters in both for single-family and multifamily properties.

2018 Goal Statement: Maintain current production levels at 575 units weatherized per year.

Expected Results: OH expects program resources and output to maintain at the 2015 level.



Measure	2012	2013	2014	2015	2016
Units Weatherized	1,071 units	1,161 units	487 units	575 units	667 units

Measure	2012	2013	2014	2015	2016
Department of Commerce	\$4,439,065	\$2,531,754	\$1,989,137	\$1,862,141	\$1,244,091
Seattle City Light	\$1,392,128	\$1,757,209	\$1,213,218	\$1,463,438	\$1,823,861
Other Grants	\$479,662	\$1,096,323	\$29,014	\$16,433	\$136,937

Meet nationally recognized fire response times

Operations: Arrival on Scene of Fire and Emergency Medical Services Personnel

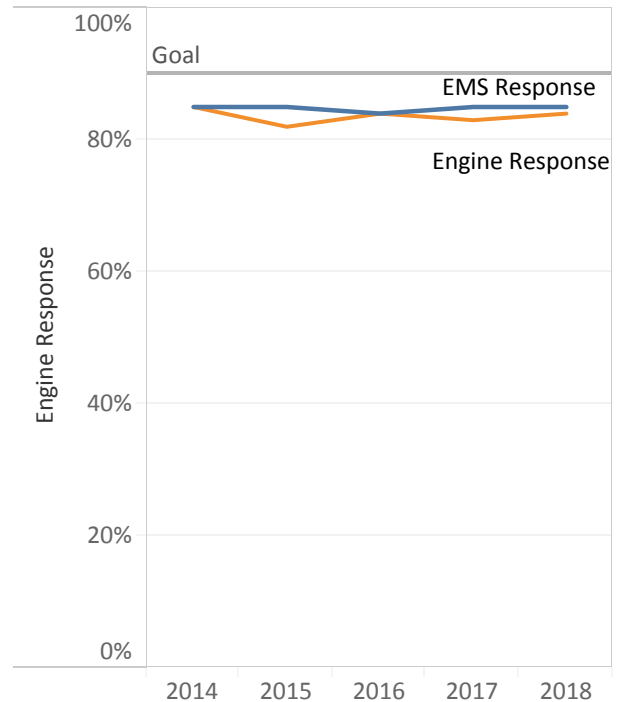
2018 Proposed Budget: \$212,147,612 (2018)

Program Summary: The National Fire Protection Association (NFPA) sets standards concerning response times to fires and medical emergencies, among other things. SFD’s goal is to meet the NFPA 1710 measures to provide for the arrival of an engine company within four minutes travel time to 90% of fire suppression incidents, and the arrival of a first responder within four minutes travel time to 90% of EMS incidents. In this measurement, travel times are measured from the time the unit leaves the station to its arrival time on the scene of an emergency incident. This measurement does not account for the call-taking time of receiving the phone call at the 911 dispatch center, the call-processing time of dispatching the call and the turn out time of the unit leaving the stat..

Past Performance: In 2016, the 90% goal was not met; results are in the mid-80 percentile.

2018 Goal Statement: Arrive to 90% of fire suppression and EMS incidents within four minutes.

Expected Result: Due to increases in population, number of employees, and commercial property uses, it is projected that the SFD will continue to experience growth in the number of emergency incidents. This will challenge the department to maintain current response time outcomes as SFD looks into the future. Ongoing investments in the Low Acuity Alarm Program (see next page) will allow SFD to reduce demand by assisting high utilizers of the 911 system. Additionally, potential modifications to dispatch protocols to more appropriately direct 911 calls to services and resources would free up SFD resources to be more available for life threatening emergency responses.



Measure	2014	2015	2016	2017	2018
Arrival of a first responder to 90% of EMS incidents within four minutes travel time	85%	85%	84%	85%	85%
Arrival of an engine company to 90% of fire suppression incidents within four minutes travel time	85%	82%	84%	83%	84%

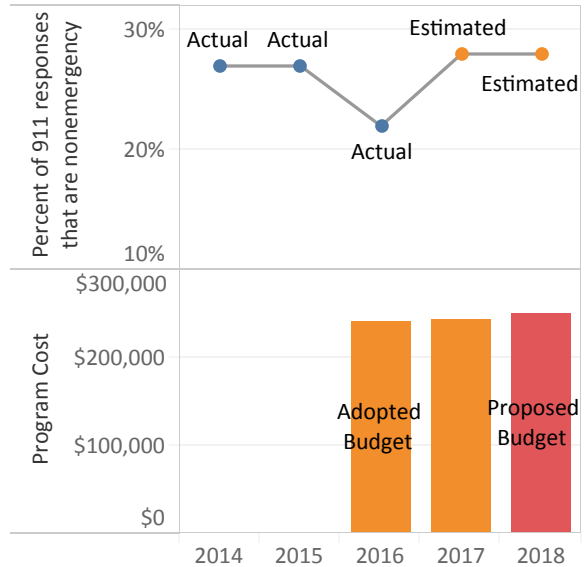
Respond to incidents

Operations: Responses by Seattle Fire Department to Incidents

2018 Proposed Budget: \$212,147,612 (2018)

Program Summary: The Seattle Fire Department (SFD) responds to about 100,000 incidents per year. These incidents include everything from structure fires, marine fires, medical emergencies, and other disasters. The number of incidents per year is expected to increase with continued population growth in Seattle.

SFD has recently begun tracking “low acuity” responses, or 911 calls for incidents that are determined to be non-emergency situations in that they pose no immediate risk to health, life, property, or the environment. SFD responded to 21,546 non-emergency calls in 2016, which included hundreds of individuals who called 911 over five times each and many exceeding 25 requests for services. In 2016, SFD implemented a new program to reduce non-emergency calls and help high utilizers of the 911 system get registered for the appropriate services to meet their needs. This program both formally enrolls participants and informally provides outreach and services to many others. It is staffed by a program manager and a case worker, and it employs technology to track patient interactions. Reducing the growth of non-emergency calls will allow SFD resources to be more available to deploy quickly to critical, life threatening calls.



Past Performance: Funding was authorized to implement the Low Acuity Alarm Program, beginning in mid-2016. A work plan has been developed with initial pilots and outreach steps on track.

Goal Statement: Reduce the percent of non-emergency responses through direct intervention with high utilizing facilities/individuals and implementation of dispatching efficiencies.

Expected Result: The incident count is consistently trending upward but it is anticipated that the system-wide, aggregate Low Acuity Alarm Program impacts will be realized in 2017. An academic analysis of program results from September 2016 through June 2017 showed that enrolled high utilizers who remained in the program after two quarters showed a mean reduction of six calls per person per quarter, a statistically significant result. Based on SFD’s methodologies for the estimation of calls not made, the department believes that by the end of 2017 it will achieve its targeted reduction of 1,775 non-emergency calls.

Measure	2014 Actual	2015 Actual	2016 Actual	2017 Estimated	2018 Estimated
Total SFD 911 Responses	91,275	94,346	97,042	102,632	107,045
Total Number of NonEmergency 911 Responses	24,612	24,792	21,546	27,909	29,973
Percent of 911 responses that are nonemergency	27%	27%	22%	28%	28%

Measure	2014 Actual	2015 Actual	2016 Adopted	2017 Adopted	2018 Proposed
Total Cost of Operating Fire Department (less Fire Prevention Services)	\$178,644,4	\$177,802,1	\$175,777,9	\$192,515,1	\$194,473,7
Cost of Administering Low Acuity Alarm Program			\$241,878	\$242,892	\$250,384

Repaving Seattle’s Key Arterial Streets

Move Seattle Levy: Pavement condition

2018 Proposed Budget: \$15.3M

Program Summary: SDOT’s goal is to understand and plan for the changes of tomorrow, while delivering great service today. SDOT is improving its use of data to drive decisions, especially as it relates to street maintenance and repair.

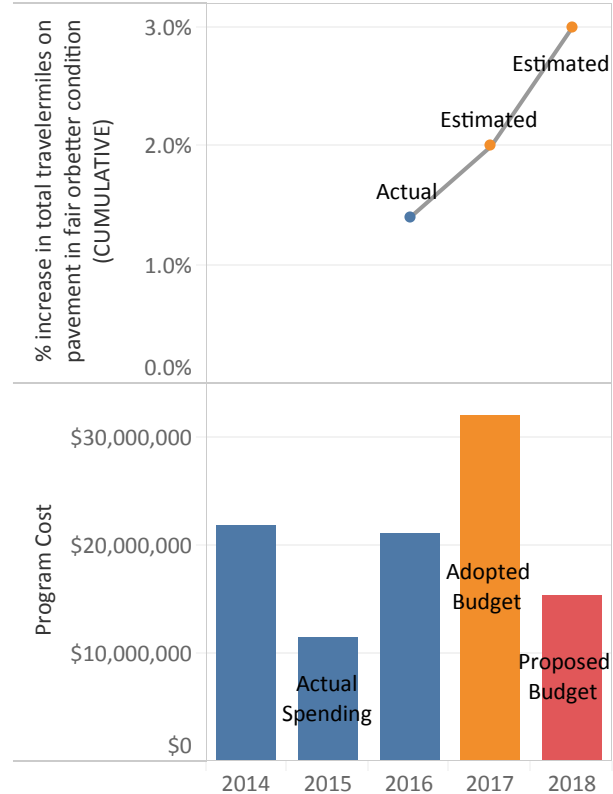
Traveler-miles represent the current number of people in cars, trucks, and buses that travel on Seattle’s streets. The aggregate number of miles traveled by these people is approximately 10 billion traveler-miles per year. Over the course of the nine-year Move Seattle levy, the City will increase the amount of traveler-miles of pavement listed in “fair” to “better” condition.

Past Performance: The Move Seattle Levy began in 2016. In its first year, the major paving projects completed include:

1. Mill/overlay on Renton Ave S between South 112th Street and 51st Avenue South;
2. Mill/overlay on Meridian Ave North from North 103rd Street to North 112th Street;
3. Mill/overlay on S Spokane St from Klickitat Ave SW to E Marginal Way South;
4. Mill/overlay on Greenwood Ave North from North 112th St to North 136th Street; and
5. Mill/overlay on Roosevelt Way NE from the University Bridge to NE 65th Street.

2018 Goal Statement: Increase “traveler miles” on pavement on arterial streets in fair or better condition due to the Move Seattle Levy

Expected Results: The Move Seattle levy will provide \$250 million in funding for paving projects from 2016 through 2024. Current analysis estimates that delivery of this 9-year paving plan will increase the percentage of traveler miles on arterial street pavement in fair or better condition by 11% by 2025.



Major paving projects in process or complete in fiscal year 2017 include:

1. Reconstruction of 3rd Avenue between Virginia Street and Broad Street;
2. Partial reconstruction and mill/overlay of 4th Avenue South between South Spokane Street and South Royal Brougham Way;
3. Partial reconstruction and mill/overlay of West Nickerson Street between South Spokane Street and South Massachusetts Street;
4. Mill/overlay on South Michigan Street/ South Bailey Street/ Corson Avenue South from 4th Avenue South to the I-5 ramps;
5. Mill/overlay on 6th Avenue from Yesler Way to Westlake Ave North; and
6. Completion of the 23rd Avenue corridor reconstruction (funded by the Arterial Asphalt and Concrete program).

(Continued on next page)

Seattle Department of Transportation

Measure	2014 Actual	2015 Actual	2016 Actual	2017 Estimated	2018 Estimated
% increase in total traveler miles on pavement in fair or better condition due to the Move Seattle levy (CUMULATIVE)	NA	NA	1.40%	2%	3%

Measure	2014 Actual	2015 Actual	2016 Actual	2017 Adopted	2018 Proposed
Total Paving Program Cost (ANNUAL)*	\$21.9M	\$11.5M	\$21.1M	\$32.1M**	\$15.3 M***

*Total Paving Program Cost includes funding such as: LTGO Bonds, Commercial Parking Tax, Employee Head Tax, REET I and II, FHWA grant funds, gas tax, general fund, Move Seattle levy (begins 2016), and vehicle license fees.

**2017 Adopted CIP

***2018 Proposed CIP

Taking Care of What We Have

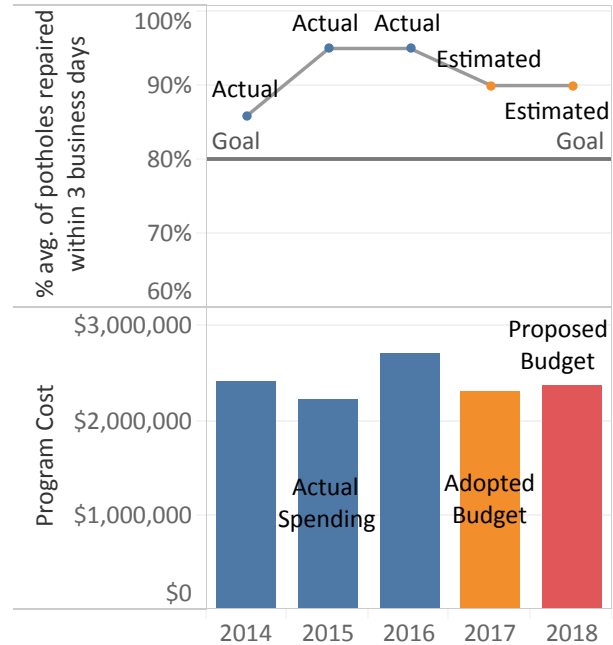
Provide timely and efficient repair of potholes

2018 Proposed Budget: \$2.38 million

Program Summary: Potholes are perhaps one of the most visible reminders of the health of a city's major streets and local roadways. It is important to fix potholes in a timely manner to maximize rider safety and comfort while also minimizing damage to vehicles and the existing road surface.

Potholes occur when street pavement cracks and breaks because of water or traffic. Over time, the water can cause the material under the pavement to erode, causing the pavement to sink down and break. During the winter, the water under the pavement can freeze and expand, and then thaw and contract. This freeze/thaw cycle can cause the pavement to crack so that it deteriorates quickly under the weight of traffic, and then streets can seem to break out in potholes overnight.

Past Performance: Although repairing 80% of reported potholes within three business days of notification is a very aggressive goal for a big city transportation department, SDOT routinely achieves this target. In fact, SDOT has met or exceeded this goal in 48 of the last 54 months on record and often exceeds 90% of potholes repaired within three days of notification. 2017 was a particularly difficult year due to the weather; Seattle had the wettest October to April since records began in 1895 and the coldest winter in a generation. This cold wet weather compounded with poor pavement condition and increased traffic results in potholes. Over the past three years spending on pothole repair has exceeded the pothole repair budget. Funding to close the gap in the pothole repair budget was taken from other SDOT O&M projects, mainly from the Street Surface Repair budget. By using the Street Surface Repair budget to fill potholes, we are unable to complete asphalt and concrete pavement repairs that are bigger than potholes.



2018 Goal Statement: Repair 80% of reported potholes within three business days.

Expected Result: In 2017-2018, SDOT expects to continue to consistently meet or exceed the existing performance measure of repairing 80% or more of potholes repaired within three business days of notification.

Measure	2014 Actual	2015 Actual	2016 Actual	2017 Estimated	2018 Estimated
% avg. of potholes repaired within 3 business days	86%	95%	95%	90%	90%
Total number of potholes repaired	15,582	17,651	19,074	17,500	17,500

Measure	2014 Actual	2015 Actual	2016 Actual	2017 Adopted	2018 Proposed
Total Program Cost	\$2,409,624	\$2,220,236	\$2,720,857	\$2,310,230	\$2,379,537
Staff Program Hours	20,194	17,651	20,822	18,500	19,000

Improving the Environment by Prompt Sweeping of Seattle’s Streets

Reduce polluted runoff from roads through comprehensive street sweeping

2018 Proposed Budget: \$1.8M (2018)

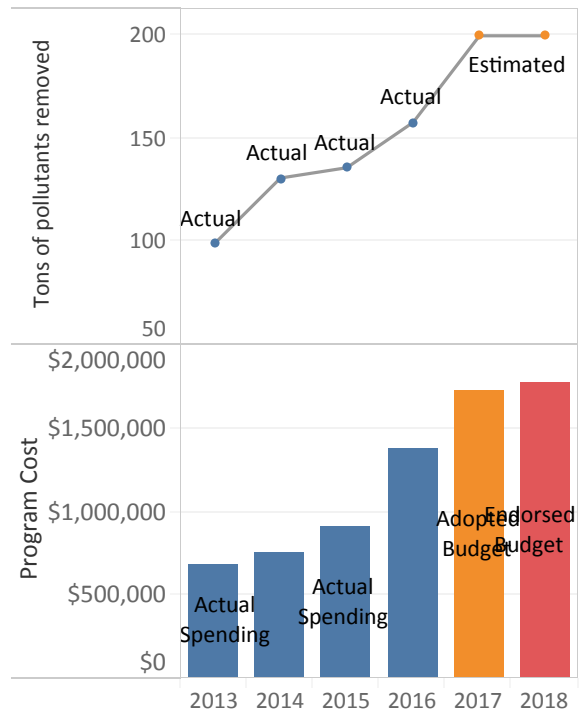
Program Summary: Street sweeping protects the environment, public health, safety, and property by keeping harmful pollutants from reaching waterways and keeping storm drains clear to reduce flooding. Every day pollutants from vehicles, leaves and grass clippings, and trash build up on busy city streets. Metals from automobile wear (copper from brake pads, zinc from tires, nickel and chromium from engines) may be toxic to aquatic life. Organic compounds from automotive exhaust (poly-aromatic hydrocarbons (PAHs)), may be cancer-causing. Tree detritus (leaves and needles) stimulate algae growth and deplete oxygen in water, harming fish, and other aquatic life.

Approximately 75% of the arterials swept drain to waterways with the remaining draining to the sewage treatment plant. In 2015, to meet their Clean Water Act requirements, Seattle proposed prioritizing some stormwater quality projects over low priority Combined Sewer Overflow projects to mitigate stormwater impacts to waterways. Expanding the street sweeping program was selected as one of three projects.

Past Performance: By the end of 2016, the partnership between Seattle Public Utilities (SPU) and the Seattle Department of Transportation (SDOT) completed its sixth consecutive year of street sweeping. Based on data collected by the sweeping program, street sweeping unit costs have proven to be five-to-ten times less than typical unit costs for treatment technologies applicable to streets and four times less than average regional-scale treatment facility unit costs. In terms of water quality, SPU’s four regional treatment facilities are expected to remove approximately 100 tons by 2020 when all plants are online. In 2016, the tight labor market impacted crew availability. The partnership swept 76% of the target miles but exceeded the pollutant reduction goal by 13%.

2018 Goal Statement: Remove 200 tons of pollutants from Seattle’s roads.

Expected Result: In 2017-2018 the partnership expects to see a continued emphasis on street sweeping for water quality as the cost effectiveness of sweeping for pollutant removal becomes even more broadly known.



(Continued on next page)

Seattle Department of Transportation

Measure	2013 Actual	2014 Actual	2015 Actual	2016 Actual	2017 Estimated	2018 Estimated
Number of tons of pollutants removed from Seattle's roads by SPU/SDOT street sweeping	99	131	136	158	200	200
Pickup rate (pollutant pounds per mile swept)**	19	24	24	21	20	20

Measure	2013 Actual	2014 Actual	2015 Actual	2016 Actual	2017 Adopted	2018 Endorsed
Total Program Cost (includes water quality and flooding)	\$684,000	\$751,900	\$911,000	\$1,373,0	\$1,725,5	\$1,769,1
Staff Program Hours (street sweeping)	3,330	3,530	4,010	6,300	6,650	6,650

*Adopted and Proposed budget numbers reference the Memorandum of Agreement between SPU and SDOT for sweeping Seattle's streets.

**2016 estimated pollutant load removed assumes a conservative 14 pounds picked up per mile swept to account for reductions in pickup rate from increased sweeping frequency, natural variations, and potential climate change impacts.

Providing More Transit Choices

Increase transit access

2018 Proposed Budget: \$45.1 million

Program summary: Seattle is one of the fastest growing large cities in the US, but as a mature urban community there is little room to expand city streets. The most effective way to move more people within the same space without increasing roadway congestion is to invest in transit. Transit vehicles provide mobility for more people per vehicle and use roadway space more efficiently. Bus transit is the workhorse of most transit systems, providing flexible route connections for areas with variable travel needs and linking less-urban areas with high-capacity transit services.

Past Performance: Over the last several years, the City purchased additional transit service hours beyond King County Metro’s base programming to increase frequency of Metro’s service on key City bus routes. Seattle’s successful 2014 transit funding ballot measure provides funding for additional bus service which restored some service Metro had previously cut and purchases additional new service that allows bus transit to grow in Seattle. Seattle’s initial investment in 2015 and early 2016 added approximately 270,000 annual service hours to Seattle routes. Of those hours invested, about 76,000 (28%) were added during the peak period to improve service quality for riders, addressing overcrowding and reliability needs. Approximately 194,000 (72%) annual service hours were invested in Seattle routes in late 2015 and early 2016 to improve off-peak service frequency, span, and service needs.

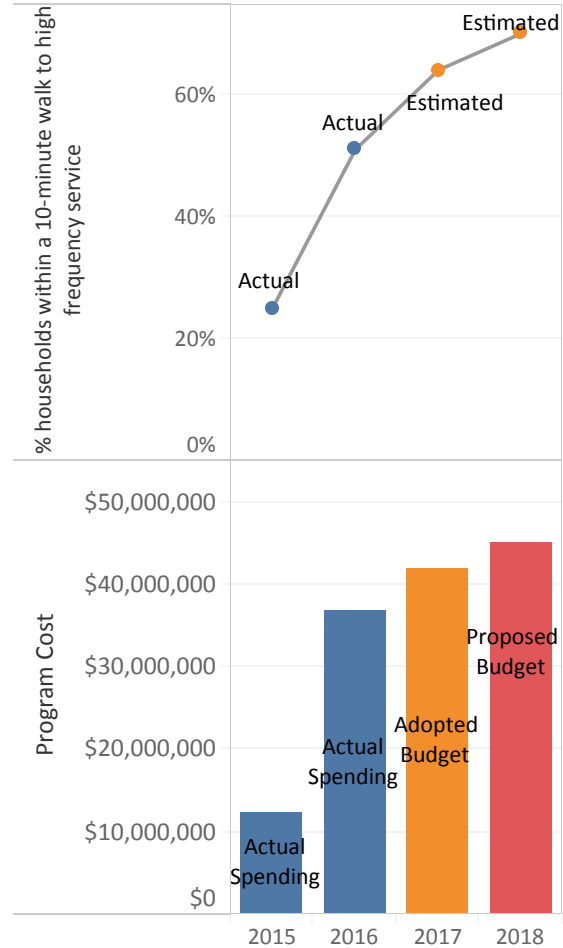
In part because of these investments, the percent of households within a 10-minute walk to high frequency transit more than doubled from 25% in 2015 to 51% in 2016. In 2017, this number increased to 54% due to the addition of updated development data from 2010-2017. In September 2017, two routes will be added to the 10-minute network which will provide 64% of households with a 10-minute walk to 10-minute or better transit service by the end of 2017. With these investments, the City will surpass its 2020 Move Seattle goal of 53% of households with a 10-minute walk to 10 minute or more frequent transit service.

As a result of the City’s investment in service quality, Seattle has seen a dramatic increase in customers’ satisfaction with transit. The 2016 Customer Satisfaction Survey includes the following findings: 47% of respondents feel that getting around Seattle via public transit has gotten better over the past few years. This is a 29% increase from when this question was asked in 2014. In 2016, 26% of respondents feel that getting around their neighborhood via public transit has gotten better over the past few years. This is a 16% increase from 2014.

2018 Goal Statement: Increase the percent of households within a 10-minute (or ½ mile) walk to 10-minute or better transit service all-day.

Expected Result: In 2017-2018, Seattle will finish the service investment ramp up through the Seattle Transportation Benefit District. As service is added and reinvested in the transit system during these years, additional households will have access to frequent service, which is estimated to reach 70% of households by 2018.

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Seattle Department of Transportation

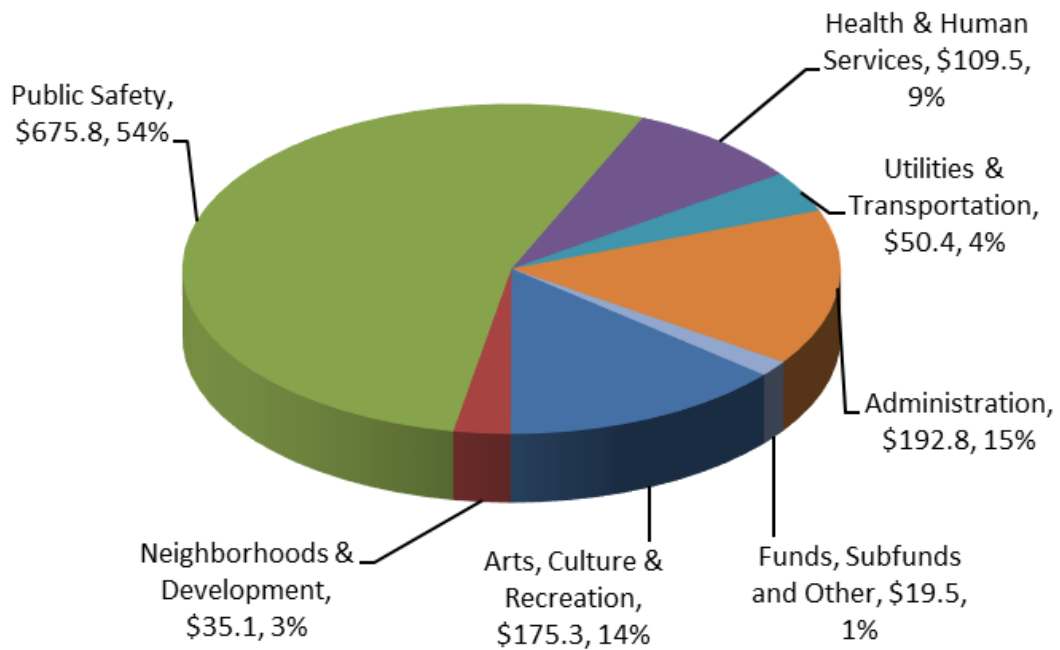
Measure	2015 Actual	2016 Actual	2017 Estimated	2018 Estimated
% households within a 10-minute walk to high frequency service	25%	51%	64%	70%

Measure	2015 Actual	2016 Actual	2017 Adopted	2018 Proposed
Total Program Cost	\$12,400,	\$36,900,	\$41,900,	\$45,100,
Service hours invested in Seattle routes (by Metro)	1,709,000	1,709,000	1,759,000	1,800,000
Service hours invested in Seattle routes* (by Seattle)	85,723	315,007	335,387	345,984

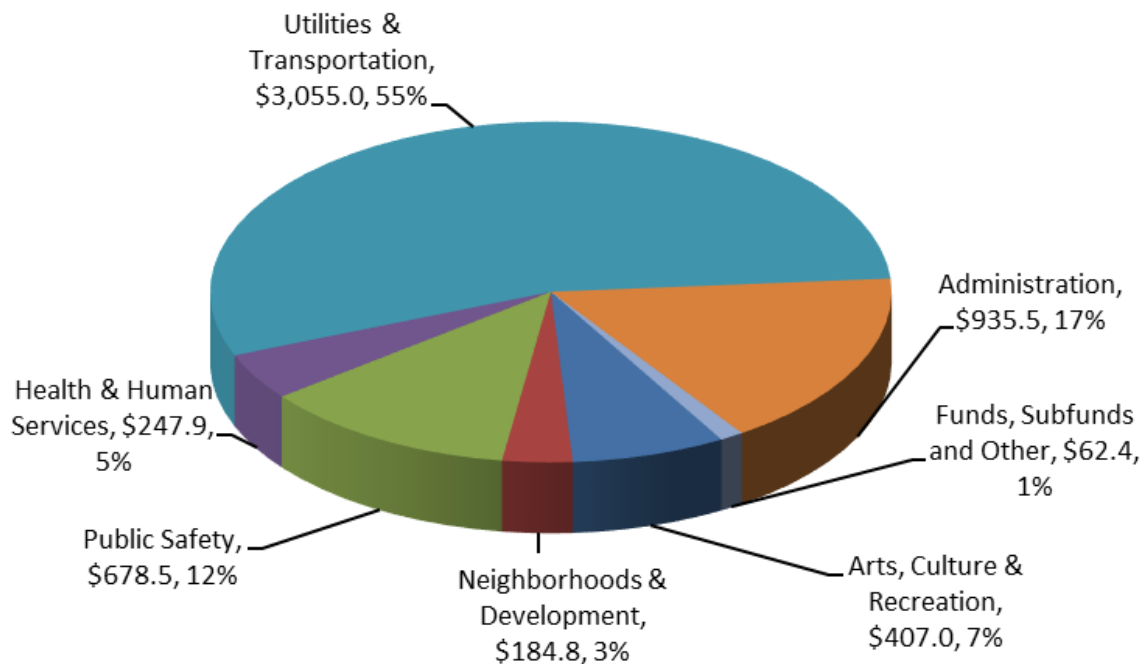
*Seattle Routes hours do not include Regional Partnership hours or Downtown Circulator service.

Summary Charts and Tables

2018 Proposed General Fund Appropriations - \$1.3 Billion
(in millions of dollars)



2018 Proposed All Funds Appropriations - \$5.6 Billion
(in millions of dollars)



Summary Charts and Tables

EXPENDITURE SUMMARY

(in thousands of dollars)

Department	2017 Adopted		2018 Endorsed		2018 Proposed	
	General Subfund	Total Funds	General Subfund	Total Funds	General Subfund	Total Funds
Arts, Culture & Recreation						
Arts and Culture, Office of ⁽¹⁾	0	12,787	0	12,476	0	13,902
Parks and Recreation, Department of	103,266	242,607	106,794	252,361	108,439	261,942
Seattle Center	13,044	55,948	13,226	51,296	12,982	53,265
The Seattle Public Library	52,322	75,250	53,516	75,458	53,860	77,899
SubTotal	168,631	386,591	173,537	391,591	175,281	407,008
Health & Human Services						
Education and Early Learning, Department of	10,353	66,591	8,193	73,602	14,039	79,629
Human Services Department	90,580	158,458	88,313	154,409	95,480	168,263
SubTotal	100,933	225,050	96,506	228,011	109,519	247,892
Neighborhoods & Development						
Construction and Inspections, Seattle Department of	7,038	87,590	6,484	83,031	6,816	84,857
Economic Development, Office of	9,332	10,770	9,220	10,662	9,199	10,640
Housing, Office of	29,243	97,207	143	68,215	319	68,723
Neighborhood Matching Subfund	3,044	4,193	3,070	4,087	2,922	4,230
Neighborhoods, Department of	8,094	8,094	8,088	8,088	8,199	8,199
Planning and Community Development, Office of	7,643	7,643	7,715	8,145	7,684	8,114
SubTotal	64,394	215,496	34,721	182,228	35,137	184,762
Public Safety						
Community Police Commission, Office of the	879	879	894	894	1,048	1,048
Criminal Justice Contracted Services	28,151	28,151	27,988	27,988	28,016	28,016
Seattle Fire Department	200,936	200,936	203,664	203,664	212,164	212,164
Firefighters Pension	18,787	20,087	19,481	20,800	18,840	20,747
Inspector General, Office of the	0	0	0	0	1,455	1,455
Law Department	27,327	27,327	28,209	28,209	28,887	28,887
Seattle Municipal Court	31,983	31,983	32,548	32,548	32,682	32,682
Seattle Police Department	320,568	320,568	329,248	329,248	330,922	330,922
Police Relief and Pension	21,313	22,073	21,770	22,545	21,771	22,545
SubTotal	649,944	652,003	663,802	665,895	675,785	678,466
Utilities & Transportation						
Seattle City Light	0	1,366,870	0	1,399,795	0	1,409,511
Seattle Public Utilities	9,434	1,094,159	9,550	1,168,922	8,543	1,167,419
Seattle Streetcar	0	6,220	0	5,660	0	5,660
Transportation, Seattle Dept of	42,966	448,381	41,608	565,233	41,904	472,400
SubTotal	52,400	2,915,629	51,158	3,139,609	50,447	3,054,990

Summary Charts and Tables

Department	2017 Adopted		2018 Endorsed		2018 Proposed	
	General Subfund	Total Funds	General Subfund	Total Funds	General Subfund	Total Funds
Administration						
City Auditor, Office of	2,312	2,312	1,795	1,795	2,168	2,168
City Budget Office	6,207	6,207	6,365	6,365	6,553	6,553
Civil Rights, Office for	4,169	4,169	4,328	4,328	4,343	4,343
Civil Service Commissions	489	489	502	502	487	487
Employees' Retirement System	0	20,446	0	19,474	0	19,231
Ethics and Elections Commission	724	5,005	746	1,454	759	1,467
Finance and Administrative Services ⁽²⁾	28,491	269,233	29,652	242,362	31,624	255,398
Finance General	64,228	66,343	59,425	63,845	71,049	71,049
Hearing Examiner, Office of	717	717	726	726	750	750
Human Resources, Seattle Dept of	18,825	18,825	19,257	19,257	19,114	19,114
Immigrant and Refugee Affairs, Office of	2,532	2,932	2,542	2,942	2,677	3,077
Seattle Information Technology Department	19,785	245,463	21,003	237,802	20,978	249,945
Intergovernmental Relations, Office of	2,854	2,854	2,903	2,903	2,873	2,873
Labor Standards, Office of ⁽¹⁾	5,747	5,747	5,698	5,698	0	5,698
Legislative Department	15,688	15,688	16,076	16,076	16,053	16,053
Mayor, Office of the	6,572	6,572	6,763	6,763	6,390	6,390
Personnel Compensation Trust Funds	0	244,660	0	258,866	0	263,889
Sustainability and Environment, Office of	4,324	4,324	4,426	4,426	6,972	6,972
SubTotal	183,664	921,986	182,205	895,583	192,790	935,458
Funds, Subfunds and Other						
Central Waterfront Improvement Fund	0	1,701	0	1,879	0	1,879
Cumulative Reserve Subfund ⁽⁴⁾	0	2,720	0	2,252	0	2,043
Debt Service ⁽³⁾	16,997	38,066	18,874	35,080	17,699	34,974
Fiber Leasing Fund	0	155	0	155	0	155
Fiscal Reserves	0	0	0	0	0	0
Judgment/Claims Subfund	417	16,350	362	15,220	1,762	16,620
Parking Garage Operations Fund	0	11,800	0	0	0	0
School Safety Traffic and Ped. Improvement Fund	0	8,607	0	6,765	0	6,765
SubTotal	17,414	79,399	19,236	61,350	19,460	62,435
Grand Total*	1,237,380	5,396,154	1,221,165	5,564,268	1,258,419	5,571,013

*Totals may not add due to rounding

Notes:

- (1) Includes dedicated amount based on Council Ordinance.
- (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 (CRS)-supported appropriations for departments receiving CRS support because they are included in the respective department appropriations, and does not include appropriations from the Asset Preservation Subfund because they are included in the Finance and Administrative Services appropriations. The General Subfund contribution to CRS is included in the Finance General appropriations.

General Subfund Revenue Overview

City Revenue Sources and Fund Accounting System

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

The City accounts for all revenues and expenditures within a system of accounting entities called “funds” 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 58.5% 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 2017

National Economic Conditions and Outlook

We are in the ninth year of the recovery from the Great Recession. The Great Recession, the country’s worst economic downturn since the Great Depression, ended in June 2009, 18 months after it started. The recovery is now the third longest of the 11 expansions of the post-World War II period. It is also the

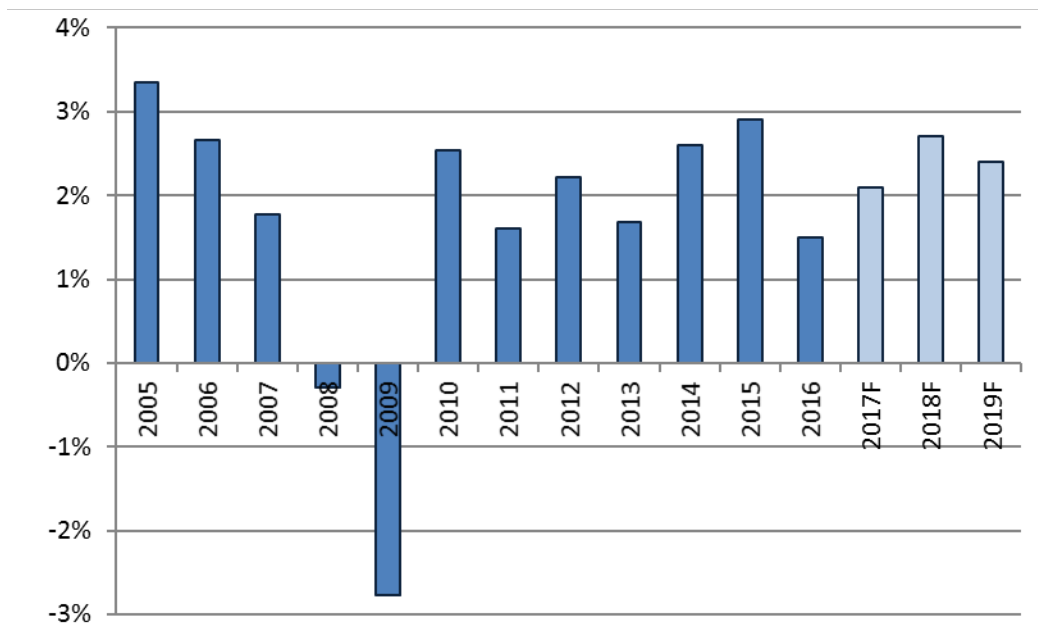
Revenue Overview

weakest, with real GDP growth averaging 2.0% per year during the recovery. Recoveries from recessions caused by financial crises tend to be sluggish because households need to reduce their debt burdens, which constrains their ability to spend, and the financial sector must deal with a large stock of nonperforming loans. In addition, housing, which is typically one of the sectors that leads a recovery, has come back slowly from the bursting of the housing bubble. Another drag on the expansion has been weak productivity growth.

Economic growth thus far in 2017 has not deviated from the slow and steady pace that has characterized the recovery. Real gross domestic product (GDP) grew at a weak 1.2% rate in the first quarter, but then picked up to 2.6% in the second quarter, to average 1.9% for the first half of the year. Second quarter growth was driven by gains in consumer spending, business investment, government spending, and net exports. For the first seven months of 2017, employment has increased by an average of 184,000 jobs each month, almost identical to the 2016 average of 187,000. Wage growth has averaged 2.6% for the year to date, which is modestly higher than the 2.2% inflation rate. Over the course of the recovery, the unemployment rate has fallen from 10.0% in October 2009 to 4.3% in both May and July 2017. The unemployment rate hasn't been this low since May 2001.

The forecast is for more of the same but with a modest boost in 2018. Forecasts for the U.S. economy expect continued modest growth in GDP with the possibility of a boost in 2018 if the federal government enacts a fiscal stimulus package. IHS/Markit, an economics firm whose forecasts the City uses in its revenue forecasting work, is assuming a stimulus package that includes lower corporate and personal taxes, the removal of some tax loopholes, and \$800 billion in overseas profits repatriated to the U.S. to face a 10% tax rate. Under these assumptions, GDP growth would increase to 2.7% in 2018 (see Figure 1). Employment growth is expected to slow going forward because the unemployment rate is low and the working age population is growing slowly.

Figure 1. Annual Growth of U.S. Real Gross Domestic Product (GDP)



Source: U.S. Bureau of Economic Analysis, IHS/Markit.

Revenue Overview

Although the current expansion is already the third longest of the 11 post-World War II expansions, it is not yet exhibiting signs its end is near. Most expansions end when the economy overheats or is subjected to shocks. The most common expansion killers are monetary tightening by the Federal Reserve to quell inflation, oil shocks, and bursting asset bubbles. Currently inflation is quiescent, oil prices are low, and there is little evidence of a major bubble in U.S. asset markets. With these risks currently under control, possibly the biggest threat to the economy is a major policy mistake. According to IHS/Markit, three types of policy mistakes that could threaten the current expansion are:

1. A mistake by the Federal Reserve. The Fed could either raise interest rates too aggressively too early, or wait too long and be forced to raise interest rates too quickly but too late. Either of these could derail the recovery.
2. A fiscal debacle. IHS/Markit is concerned that fiscal and policy turmoil in Washington, D.C. could escalate, bruising consumer and business confidence and damaging economic growth.
3. A trade war. A trade war with one or more of the nation's major trading partners could cause serious damage to the economy.

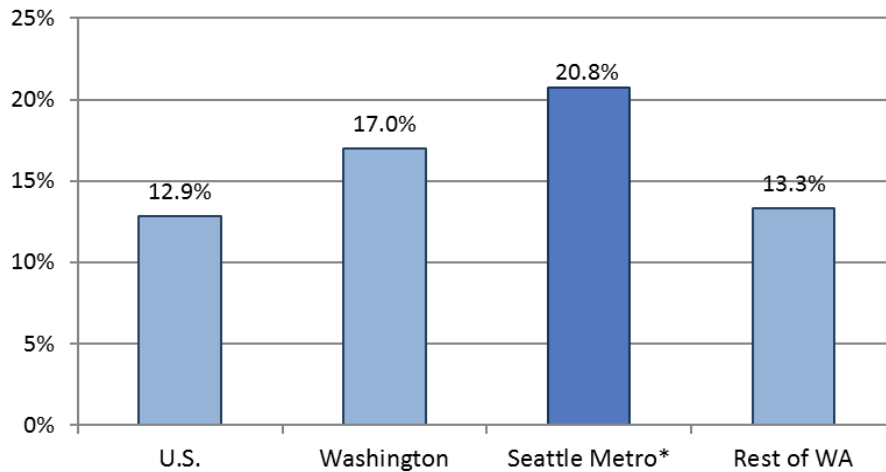
According to IHS/Markit, there is a 25% probability that the economy will experience a significant slowdown, but not a recession, in 2018-2019. The cause of such a slowdown would be political and fiscal policy turmoil in Washington, D.C. IHS/Markit believes that absent a serious policy mistake the probability of a recession occurring in 2018 or 2019 is 10%.

Puget Sound Region Economic Conditions and Outlook

Despite a weak national recovery, the Puget Sound region has seen healthy growth. Since the Great Recession ended in June 2009, the region's economy has outperformed the national economy by a considerable margin. This is reflected in the region's healthy job growth and low unemployment rate. Seattle metro area (King and Snohomish Counties) employment increased by 20.8% from its post-recession low in February 2010 through June 2017. This compares to an 12.9% gain for the U.S. and a 13.3% gain for the rest of Washington state over the same period (see Figure 2). The June 2017 unemployment rate for the Seattle metro area was 3.4%, compared to 4.5% for the state and 4.4% for the U.S. The region has also outpaced the U.S. in both income and wage growth during the recovery.

Revenue Overview

Figure 2. Employment Growth: Post-Recession Trough to June 2017



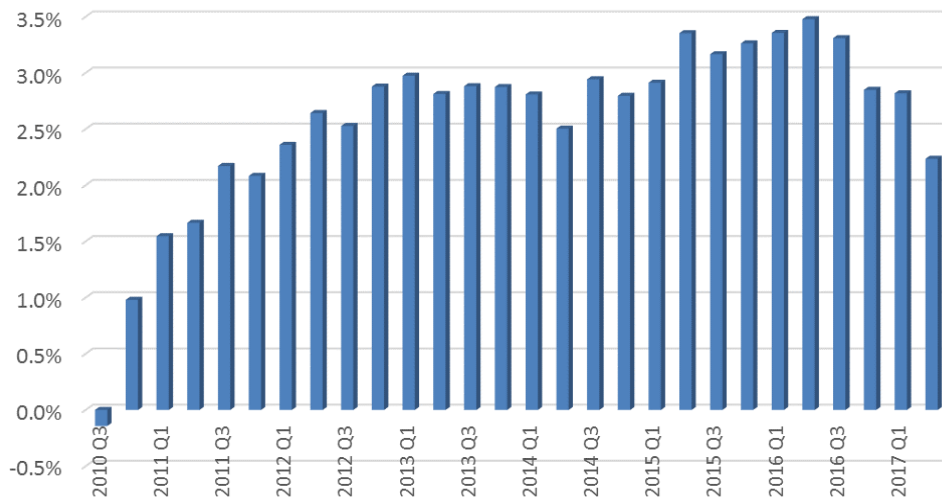
*King & Snohomish Counties.

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

An analysis by the Puget Sound Economic Forecaster (PSEF) indicates Boeing and Amazon led the region’s recovery between 2010 and 2014, when these two firms were responsible for 43% of the jobs created in the region. PSEF concluded that “without the lift from Boeing and Amazon, regional employment and employee compensation would have risen at close to the national rate.” A key reason that these two firms had such a large impact is that the average annual wage for both exceeds \$100,000.

Although Amazon has continued to add jobs at a healthy clip throughout the recovery, Boeing employment peaked in October 2012, and has been declining since then. After adding 15,200 jobs between May 2010 and October 2012, Boeing has reduced its Washington employment by 19,100, with the pace of reduction greatest during the past year. This is one factor that has led to the slowing of the region’s employment growth rate over the past year (see Figure 3). Also contributing has been significant slowing in the growth of construction employment.

Figure 3. Seattle Metro Area* Employment, Year-over-Year Growth Rate

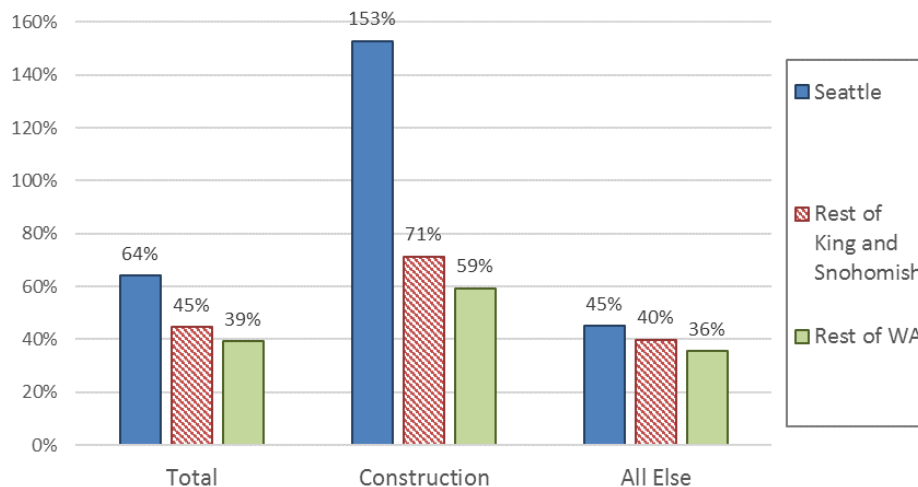


*King and Snohomish Counties. Source: WA Employment Security Dept.

Revenue Overview

Seattle has captured an outsized share of the region's growth during the recovery. Seattle has been the focal point of the region's growth during the current recovery. This is reflected in taxable retail sales data (the tax base for the retail sales tax), one of the few relatively current measures of economic activity available at both the county and city levels. Over the six-year period from 2010-2016, taxable retail sales increased by 64% in Seattle, compared to gains of 45% in the remainder of the King and Snohomish Counties, and 39% in the rest of the state, i.e., outside of the two counties (see Figure 4). Much of Seattle's relative strength is due to a 153% increase in construction since 2010. The rest of Seattle's tax base has also grown faster than that of the other areas but by a much smaller margin.

Figure 4. Taxable Retail Sales Growth, 2010 – 2016

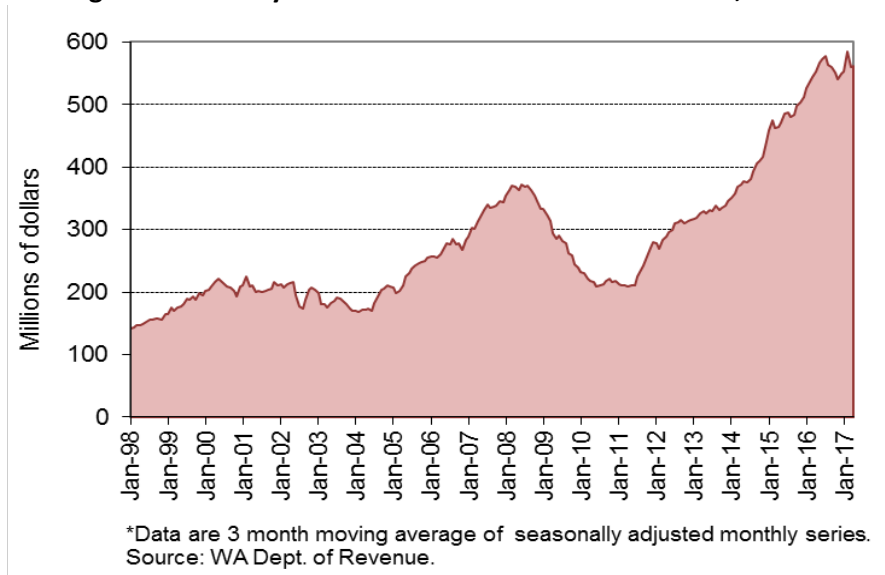


Source: WA Department of Revenue.

Seattle's strong rebound from the recession has been supported by the growth of Amazon, other technology businesses, and business and professional service firms. Employment growth at these businesses, along with the current popularity of in-city living, has boosted the demand for office space and housing in the city, spurring a construction boom. Initially construction was focused in new apartments and public construction, but over time activity has broadened to include more office projects and condominiums. Construction activity is now well above levels seen at the peak of the housing bubble in early 2008. Over the past year construction has exhibited signs that it may have reached its peak for the current cycle (see Figure 5).

Revenue Overview

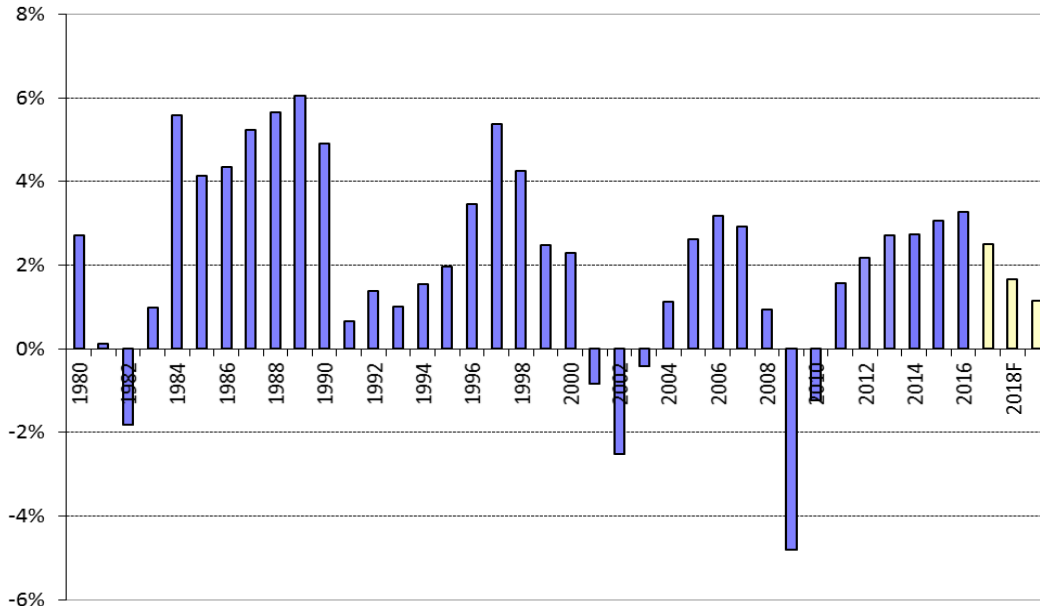
Figure 5. Monthly Taxable Retail Sales for Construction, Seattle



The region’s economy is expected to continue slowing. The Puget Sound Economic Forecaster (PSEF) predicts that 2016 will be the peak year for employment growth during the current cycle, and that growth will slow gradually beginning in 2017 (see Figure 6). The forecast assumes the region will continue to grow faster than the nation, but that the gap between regional and national growth will narrow as the recovery moves forward. Population growth is expected to slow as well, but at a slower pace than employment. Contributing to the slowdown in 2017 is Boeing, which reduced its Washington employment by 4,400 jobs during the first seven months of the year. The June Washington State Economic and Revenue Forecast assumes aerospace employment will drop by 8.0% (6,800 jobs) in 2017, followed by declines of 4.4% in 2018, and 2.0% in 2019. The PSEF forecast also assumes aerospace will continue declining, but at a slower rate. The PSEF forecast expects employment growth in the non-store retailing industry to begin slowing in 2017, and construction employment to level off beginning in 2017.

Revenue Overview

Figure 6. Annual Growth of Puget Sound Region* Employment



*King, Kitsap, Pierce, and Snohomish Counties.

Source: WA Employment Security Dept., Puget Sound Economic Forecaster.

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

Sources of uncertainty in the local economy include the trajectory of the current construction cycle as well as the fortunes of the region’s major employers, including Boeing, Amazon, and Microsoft. Boeing is experiencing softness in orders for wide-body jets, and is scaling back its 777 production rate. It has also been cutting jobs in order to improve its competitiveness, and recently announced plans to move hundreds of Washington jobs to Arizona.

Microsoft has been successful in shifting its focus from one-time sales of software licenses to providing cloud computing services and selling subscription services on the cloud. A recently announced reorganization of Microsoft’s global sales team will result in thousands of layoffs. Most of the layoffs will take place outside of the U.S., but there will be some layoffs in the Puget Sound region. Amazon’s recent announcement that it will establish a second headquarters in a different city creates considerable uncertainty for the region’s economy and risk to the economic forecast.

For the City of Seattle, the trajectory of construction activity is a major source of risk and uncertainty. Construction is a highly cyclical industry, with periods of strong growth often, but not always, followed by steep downturns. The city is currently well into a boom period, with taxable sales for construction having more than doubled over the past five years. The timing and severity of the next construction slowdown will be a key determinant of the course of the city’s economy.

Consumer Price Inflation

Inflation has remained low throughout the recovery. The Great Recession, the worst economic downturn in 80 years, pushed inflation into negative territory in 2009, the first time in 54 years that

Revenue Overview

consumer prices had declined on an annual basis. During the subsequent recovery, inflation has remained subdued, with the U.S. CPI-U averaging 1.6% per year over the period from 2010-2016.

Local inflation tends to track national inflation because commodity prices and national economic conditions are key drivers of local prices. Local deviations from national inflation are typically due to differences in housing price inflation. Seattle inflation has generally tracked national inflation during the recovery, though Seattle inflation has been running higher recently due to relatively high housing cost inflation. For the first half of 2017, the Seattle CPI-U has grown at a 3.0% rate, compared to 2.1% for the U.S. CPI-U. Housing inflation for this period was 5.5% for Seattle and 3.1% for the U.S.

Inflation is expected to remain subdued. Nationally Inflation is expected to settle into the 1.5% - 3.0% range over the next several years, though there could be movement outside of this range if energy or food prices rise or fall steeply. Seattle area inflation will continue to track higher than national inflation in the short-run, since the region’s housing price inflation will remain above national levels for some time.

Figure 7 presents historical data and forecasts of inflation for the Seattle metropolitan area through 2020. The forecasts are for the Seattle CPI-W, which measures price changes for urban wage earners and clerical workers (the CPI-U measures price changes for all urban consumers). The specific inflation measures shown in Figure 7 are used as the bases of cost-of-living adjustments in City of Seattle wage agreements.

Figure 7. Seattle Consumer Price Index Forecast

	Seattle CPI-W (June-June growth rate)	Seattle CPI-W (growth rate for 12 months ending in June)
2016 (actual)	2.0%	1.9%
2017 (actual)	3.0%	2.8%
2018	2.5%	2.6%
2019	2.6%	2.7%
2020	2.7%	2.7%

City Revenues

The following sections describe forecasts for revenue supporting the City’s primary operating fund, the General Subfund, its primary capital subfund and the Cumulative Reserve Subfund.

General Subfund Revenue Forecast

Expenses paid from the General Subfund are supported primarily by taxes. As Figure 8 illustrates, the most significant revenue source is the property tax, which accounts for approximately 24%, followed by the Business and Occupation (B&O) tax, sales tax, and utility taxes.

Revenue Overview

Figure 8. 2018 Proposed General Subfund Revenue Forecast by Source - \$1,266.5 Million

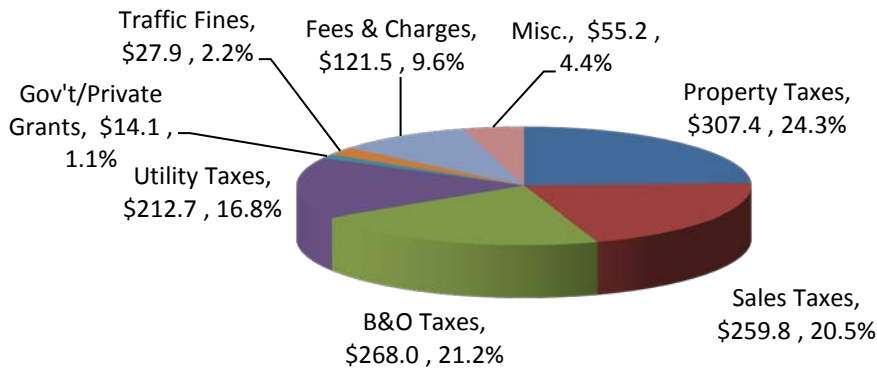
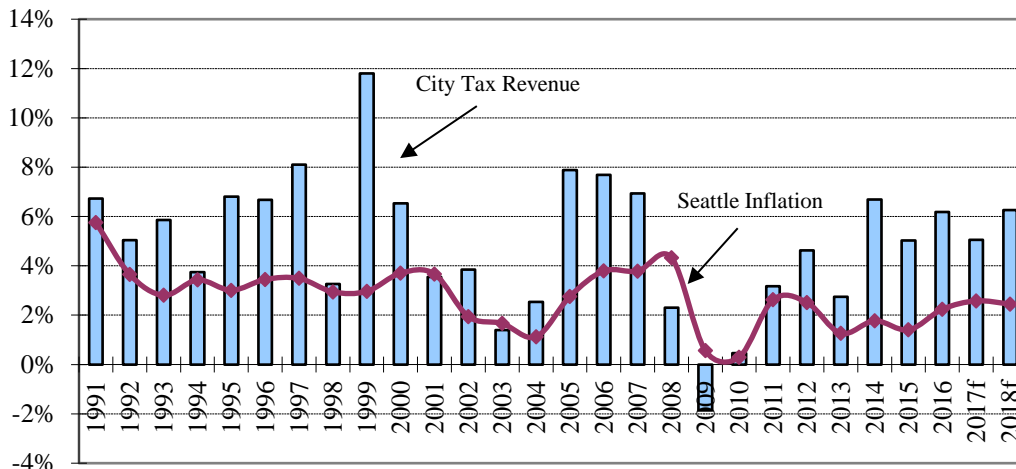


Figure 9 illustrates tax revenue growth outpacing inflation for most of the 1990s and 2000, before the 2001-2003 local recession took hold. Slow growth posted in 2001 is also attributable to Initiative 747, which reduced the statutory annual growth limit for property tax revenues from 6.0% to 1.0%, beginning 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. Tax revenue growth is forecast to be positive and above inflation, with an average annual growth rate of over 5.8% 2016 through 2018. Inflation for the same period will average 2.4%.

Figure 9. City of Seattle Tax Revenue Growth, 1991-2018



Revenue Overview

Figure 10. General Subfund Revenue, 2016 – 2018*
(in thousands of dollars)

Revenue Source	2016 Actuals	2017 Adopted	2017 Revised	2018 Endorsed	2018 Proposed
General Property Tax ⁽¹⁾	237,941	244,284	245,507	255,019	257,490
Property Tax - Medic One Levy	45,794	46,648	48,194	47,814	49,881
Retail Sales Tax	218,986	225,849	229,366	230,979	239,736
Retail Sales Tax - Criminal Justice Levy	18,263	19,091	19,060	19,768	20,045
B&O Tax (100%)	234,908	253,059	252,236	266,653	268,004
Utilities Business Tax - Telephone (100%)	23,140	22,254	20,865	22,412	21,094
Utilities Business Tax - City Light (100%)	48,298	52,965	53,875	54,839	55,101
Utilities Business Tax - SWU & priv.garb. (100%)	16,040	19,880	19,787	21,222	21,385
Utilities Business Tax - City Water (100%)	31,347	31,572	31,907	32,920	32,966
Utilities Business Tax - DWU (100%)	44,616	46,036	46,091	47,269	49,603
Utilities Business Tax - Natural Gas (100%)	10,809	11,828	12,600	12,682	12,546
Utilities Business Tax - Other Private (100%)	19,445	19,946	19,446	20,607	20,026
Admission Tax	10,328	9,207	10,346	9,415	10,465
Other Tax ⁽²⁾	13,546	12,077	13,408	11,745	28,412
Total Taxes	973,464	1,014,697	1,022,689	1,053,344	1,086,752
Licenses and Permits	24,260	26,858	27,773	28,608	29,576
Parking Meters/Meter Hoods	42,005	46,696	43,546	49,232	44,543
Court Fines (100%)	28,222	28,875	25,878	29,625	27,885
Interest Income	3,501	3,040	4,323	4,323	6,124
Revenue from Other Public Entities ⁽³⁾	25,564	13,594	13,981	14,012	14,061
Service Charges & Reimbursements	46,161	47,350	46,332	48,270	47,392
Total: Revenue and Other Financing Sources	1,143,177	1,181,110	1,184,522	1,227,414	1,256,335
All Else	7,362	2,843	3,301	2,703	2,387
Interfund Transfers	29,940	5,212	10,705	4,616	7,792
Total, General Subfund	1,180,480	1,189,165	1,198,528	1,234,732	1,266,514

NOTES:

- (1) Includes property tax levied for the Firemen’s Pension Fund per RCW 41.16.060.
- (2) Other Tax includes the new Sweetened Beverage Tax that will go into effect in 2018.
- (3) Included in 2016 Actual figures are the pass-through revenues that are not appropriated in adopted budgets.

* 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.

Revenue Overview

Property Tax

Property tax is levied primarily on real property owned by individuals and businesses. Real property consists of land and permanent structures, such as houses, offices, and other buildings. In addition, property tax is levied on various types of personal property, primarily business machinery and equipment. Under Washington State law, property taxes are levied by governmental jurisdictions in accordance with annual growth and total rate limitations. Figure 11 shows the different jurisdictions whose rates make up the total property tax rate imposed on Seattle property owners, as well as the components of the City's 2017 property tax: the non-voted General Purpose levy (51.3%); the six voter-approved levies for specific purposes (42.4%), known as lid lifts because the voters authorize taxation above the statutory lid or limit; the levy to pay debt service on voter-approved bonds (6.3%). The total amount of property taxes imposed by a taxing jurisdiction is approved by ordinance. The County Assessor then divides this approved levy amount by the assessed value (AV) of all property in the jurisdiction to determine the tax rate (expressed per \$1,000 of assessed value), which, per the Washington State Constitution, is a uniform rate that is then applied to all taxable properties in the respective jurisdiction. The County Assessor determines the value of properties, which is intended to generally reflect 100% of the property's market value as of January 1 of the year preceding the year of tax collection.

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

The City of Seattle's 2017 tax rate at \$2.62 per \$1,000 AV was roughly 28 percent of the total \$9.25 rate paid by Seattle property owners for all taxing jurisdictions. The 2017 total and City of Seattle tax obligations for a home of median assessed value in Seattle was \$4,883 and \$1,385 respectively. The obligation amounts in 2016 were approximately \$4,553 and \$1,331. The increase is largely due to the City's voted housing levy, an increase in Seattle Public Schools Bond levy amount and Sound Transit's new levy to fund ST3 extensions of the Link Light Rail system, Bus Rapid Transit, and rail service improvements.

Assessed Value (AV) -- 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 2.2 percent respectively. The last significant decrease was in 1984 when AV dropped by 3.6 percent. Changes in AV affect tax rates as do changes in the amounts levied: as AV falls (rises), tax rates rise (fall). Consequently, from 2009–2013 with falling AV, the total property tax rate from all jurisdictions paid by Seattle property owners increased 31.8% from \$7.97 to \$10.50 per thousand dollars of AV. The rate for the City of Seattle increased 27.1% over the same period from \$2.58 to \$3.28, even though the levy amount increased only 12.5%. Rate growth has reversed since then as Seattle AV has grown strongly: 9.57% for 2014, 12.72% for 2015, 13.0% for 2016, 13.67% for 2017 and is forecast to increase approximately 12.54% in 2018.

Revenue Overview

New Construction -- In addition to the allowed maximum 1% levy growth, state law permits the City to increase its regular levy in the current year by an amount equivalent to the previous year's tax rate times the value of property constructed or remodeled within the last year, as determined by the assessor. Between 1999 and 2010 annual new construction tax revenues exceeded \$2 million, with rapid increases between 2005 (\$2.9 million) and 2008 (\$6.64 million). New construction tax 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, then 52% to \$1.95 million in 2011 before stabilizing at \$2.02 million in 2012. The overall value of new construction activity also fell during this period, but increased 6.9% in the valuation period preceding 2013 tax collections to \$780.2 million from \$729.7 million in 2012, increased a robust 90% further in 2014 to \$1.48 billion, another 53.5% in 2015 to \$2.27 billion, and 28.6% to \$2.92 billion in 2016. Strong growth has continued for 2017 with new construction increasing 41.0% to 44.1 billion. This increased revenues by \$2.39 million in 2013, \$4.6 million in 2014, \$6.1 million in 2015, 6.6 million in 2016 and a record \$10.19 million in 2017. The 2018 Proposed Budget projects slowing growth in new construction value for 2018 (1.3% to \$4.18 billion) before declining 8.8% in 2019 to \$3.81 billion. These new construction volumes are projected to generate \$10.28 million in 2018 revenue.

The 2018 Proposed Budget assumes 1% growth plus new construction. The forecast for the 2018 Proposed Budget's General Subfund (General Purpose) portion of the City's property tax is \$245.5 million in 2017 and \$257.5 million in 2018. Additionally, in 2018 the City will levy approximately \$209.9 million for voter-approved lid lifts accounted for in other funds than the City's General Fund and \$30.4 million to pay debt service on voter-approved bond measures.

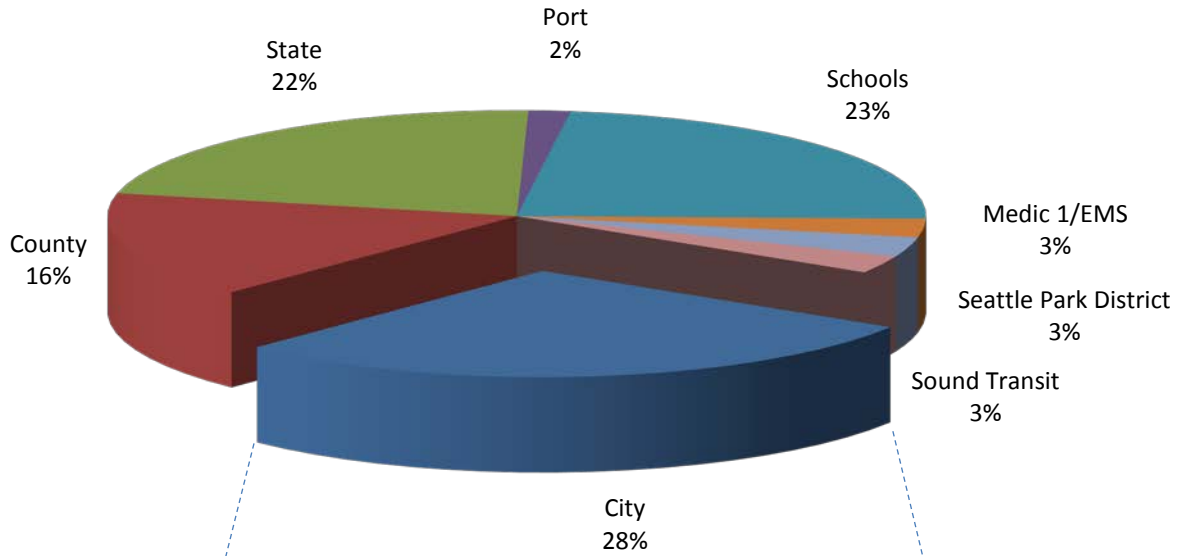
Seattle Parks District. In August 2014, voters approved creation of a Metropolitan Park District (MPD). Pursuant to RCW 35.61, the MPD is a legally separate taxing jurisdiction from the City of Seattle, whose property tax levy authority of \$0.75 per \$1,000 assessed value is outside of the City's statutory rate limit of \$3.60 per \$1,000 assessed value and whose revenues will not be accounted for in the City's General Fund. The MPD, named the Seattle Park District, will levy approximately \$49.8 million for collection in the 2018 tax collection year.

Medic 1/Emergency Medical Services. Voters in November 2013 approved a renewal of the Medic 1/EMS levy at \$0.335 per \$1,000 of AV. At this rate King County projected revenues over the 6-year life of the levy of \$678 million, approximately \$256 million of which will come to the City of Seattle. The 2018 Proposed Budget projects revenues of \$48.2 million in 2017 and \$49.8 million in 2018.

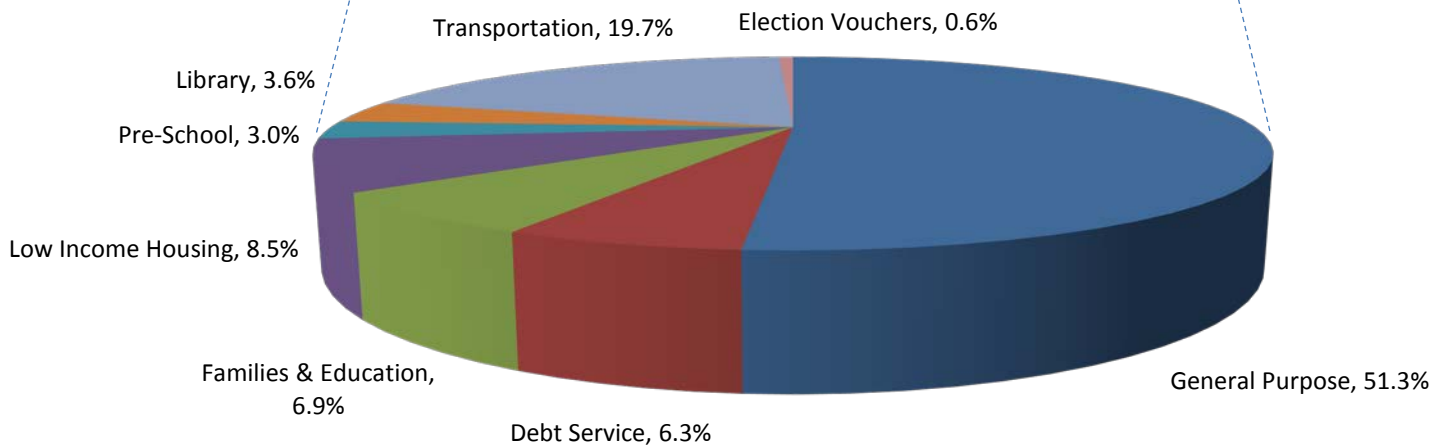
Revenue Overview

Figure 11.

Components of Total Property Tax Levy for 2017
 (tax rate = \$9.25 per \$1,000 assessed value)



Components of City's Property Tax Levy for 2017
 (tax rate = \$2.62 per \$1,000 assessed value)



Revenue Overview

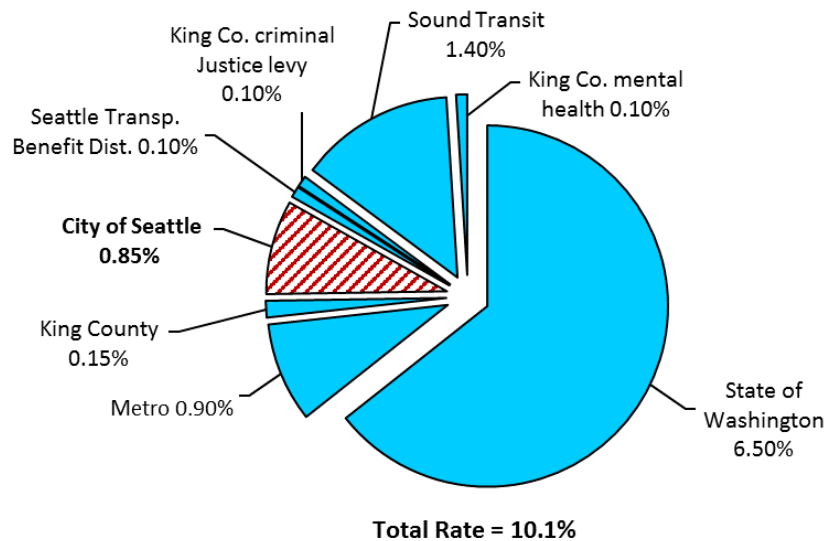
Retail Sales and Use Tax

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 revenue to the state. The state sends the City its share of this revenue monthly.

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

The basic sales tax rate of 10.1% is a composite of separate rates for several jurisdictions as shown in Figure 12. The City of Seattle's portion of the overall rate is 0.85%. In addition, Seattle receives a share of the revenue collected by the 0.1% King County Criminal Justice Levy. Revenue collected by the Seattle Transportation Benefit District, whose governing board is comprised of all nine Seattle City Councilmembers, is used to make transportation improvements within the city.

Figure 12. Sales and Use Tax Rates in Seattle, April 1 – December 31, 2017



On July 1, 2008, in order to bring its sales tax procedures into conformance with the Streamlined Sales and Use Tax Agreement (SSUTA), Washington state implemented destination based sourcing for the sales tax. Under destination based sourcing, when a retail sale involves a delivery to a customer the sales tax is paid to the jurisdiction in which the delivery is made. Previously Washington had employed origin based sourcing, i.e., allocating the sales tax to the jurisdiction from which the delivery was made. This change yielded a modest increase in the City's sales tax revenue.

Sales tax revenue has grown and contracted with the region's economy. Of the City's four major taxes, the sales tax is the most volatile because it is the most sensitive to changes in economic conditions. More than half of sales tax revenue comes from retail trade and construction activity, both of which are very sensitive to economic conditions.

Seattle's sales tax base grew rapidly in the late 1990s, driven by a strong national economy, expansion at Boeing in 1996-1997, and the stock market and technology booms. The recession that followed the

Revenue Overview

bursting of the stock market bubble and the September 11, 2001 terrorist attacks ushered in three successive years of decline (2001-2003) in the sales tax base. The economy began to recover in 2004, and then grew strongly for three years, 2005-2007, during which the sales tax base grew at an average annual rate of 9.8%, led by construction's 21.0% rate.

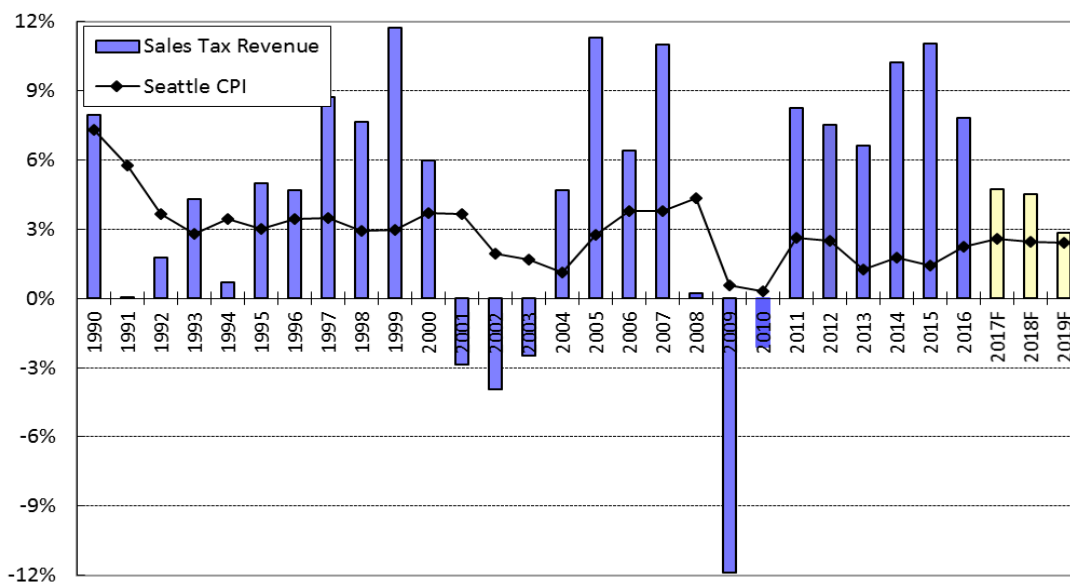
The robust growth of 2005-2007 was followed by the Great Recession, which caused the largest contraction in the sales tax base in over 40 years. In a period of five quarters beginning with the third quarter 2008, the retail sales tax base shrunk by 18.2%. The decline was led by a steep drop in construction along with falling sales in manufacturing, finance and insurance, management, education and health services, and building materials and garden supplies.

After hitting bottom in 2010, Seattle's sales tax base has rebounded strongly, with construction leading the way. Other fast growing industries include motor vehicle and parts retailing, e-commerce retailing, professional, scientific and technical services, accommodation, and food services. Over the six-year period 2010-2016 sales tax revenue increased at an average rate of 8.6% per year.

The growth rate of sales tax revenue is expected to slow gradually over the next several years. Sales tax revenue increased by 5.5% in the first five months of 2017 relative to the same period in 2016. This was stronger than the forecast of 4.2%, but well below the 2016 growth rate of 7.8%. The difference from forecast was due to stronger than expected growth in construction.

Looking to the future, sales tax revenue is forecast to increase by 4.7% in 2017, 4.5% in 2018, and 2.8% in 2019 (see Figure 13). A key assumption in the forecast is that there will be a modest (10.8%) drop in construction activity over the three-year period 2018-2020. The forecast for the construction portion of the tax base was developed in two parts. First, a forecast for the first four quarters of the forecast period was developed from lagged Seattle construction permit data. Then a forecast for the remaining period was developed using a time series model estimated over 41 years with quarterly data.

Figure 13. Annual Growth of Retail Sales Tax Revenue



Note: All revenue figures reflect current accrual methods. 2017-19 are forecasts.

The forecast incorporates revenue gains that result from the passage of EHB 2163 in June 2017 as part of the state budget package. EHB 2163 expands the sales tax base by adding bottled water to the base beginning in August 2017, and expanding the taxation of internet and catalog sales beginning in January

Revenue Overview

2018. Adding bottled water to the tax base will increase sales tax revenue by approximately \$600,000 per year. Expanding the taxation of remote sales will increase revenue by \$4.9 million in 2018 and \$6.7 million in 2019, according to estimates by the Washington Department of Revenue.

Business and Occupation Tax

Seattle’s principal business tax is the business and occupation (B&O) tax, which is levied on the gross receipts of most business activity that takes place in the city. The B&O tax has a small business threshold of \$100,000, which means businesses with taxable gross receipts below \$100,000 are exempt from the tax.

Between January 1, 2008 and January 1, 2016, the City’s B&O tax also included a square footage tax that was complementary to the gross receipts tax. The square footage tax, which was levied on the floor area of some businesses located in Seattle, was implemented to offset the expected loss of \$22.3 million from state mandated procedures for allocation and apportionment of B&O income that took effect in 2008. The square footage tax was structured so that no business would pay more under the new combined gross receipts and square footage business taxes than it did under the pre-2008 gross receipts tax. The City eliminated the square footage tax effective January 1, 2016.

The City levies the gross receipts tax at different rates on different types of business activity, as indicated in Figure 14. Most types of business activity, including manufacturing, retailing, wholesaling, and printing and publishing, are subject to a tax of 0.219% on taxable gross receipts in 2017. Services and transporting freight for hire are taxed at a rate of 0.423%. The City is in the process of increasing B&O tax rates to the maximum allowed under state law. The increase will take place in two steps, a roughly two percent increase on January 1, 2017 and an increase of approximately one percent on January 1, 2018. In addition, the special 0.15% rate for international investment management services was eliminated on January 1, 2017.

Figure 14. Seattle Business and Occupation Tax Rates, 2016 – 2018

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

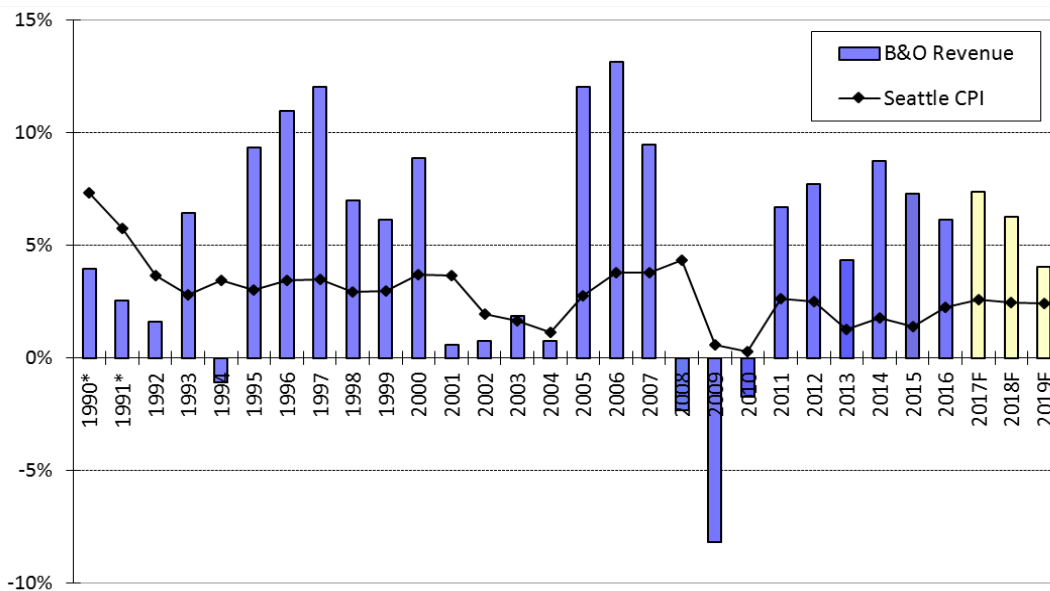
Other things being equal, the B&O tax base is more stable than the retail sales tax base. The B&O base is broader than the sales tax base, which does not cover most services. In addition, the B&O tax is less reliant than the sales tax on the relatively volatile construction and retail trade sectors, and it is more dependent upon the relatively stable service sector. Included in B&O tax revenue are tax refunds, audit payments, and penalty and interest payments for past-due tax obligations.

B&O revenue growth has mirrored the growth of the city’s economy. In 1995, the City initiated an effort to administer the B&O tax more efficiently, educate taxpayers, and enforce tax regulations. This resulted in unlicensed businesses being added to the tax rolls, businesses reporting their taxable income more accurately, and a significant increase in audit and delinquency collections – all of which helped to increase B&O receipts beginning in 1996. In 2000, B&O revenue was boosted by changes the state of Washington made in the way that financial institutions are taxed.

Revenue Overview

Since the mid-1990s, B&O receipts have fluctuated with the economy’s ups-and-downs, rising rapidly during the late-1990s stock market and dot-com boom and the housing bubble of the mid-2000s, going flat from 2001–2004 during the last decade’s first recession, and then falling sharply during the Great Recession (see Figure 15). Following four successive years of very weak growth from 2001 through 2004, B&O revenue turned up sharply in 2005 and averaged 11.5% over the three-year period 2005-2007. The upturn ended in 2008 with the onset of the Great Recession. 2009 saw the full force of the recession with revenue dropping 8.2% from 2008. The decline was broad based with no industry untouched, but construction, manufacturing, wholesale trade, and finance and insurance were particularly hard hit. The decline continued until the second quarter of 2010, by which time the tax base had lost 16.8% of its value.

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; 2017-19 are forecasts.
 Figures include both gross receipts and square footage tax revenue.

B&O tax revenue has rebounded at a healthy clip during the recovery from the Great Recession. Over the six-year period 2010-2016, revenue grew at a 6.8% annual rate. Growth was weak in 2013 because of a drop in revenue from audit activity and an increase in refund payments, not because of a weakening of tax base growth. Industries growing rapidly during the recovery have been construction, information, real estate, management of companies and enterprises, food services, and accommodation. Health services, historically a fast growing industry, has posted a modest 4.3% annual growth rate during the recovery.

The growth rate of B&O tax revenue will increase in 2017, then slow gradually thereafter. The B&O revenue forecast has been shaped by five factors:

1. The economic forecast for the region, which is predicting a slowdown.
2. An updated forecast for construction, which predicts that revenue from construction will decline by 9.4% over a three-year period beginning in 2018.
3. B&O tax rate increases of approximately two percent in 2017 and one percent in 2018. These increases add \$4.7 million to the forecast in 2017 and \$7.9 million in 2018.

Revenue Overview

4. Elimination of the special tax rate for international investment management services. These services are taxed at the regular service rate beginning January 1, 2017. This change adds \$2.0 million to the forecast in 2017 and \$2.1 million in 2018.
5. An expected revenue gain of \$335,000 in 2017 and \$650,000 in 2018 from the expiration of the B&O life sciences deduction in mid-2017.

With the economy expected to slow and a mild downturn forecast for construction, the B&O tax base will grow more slowly going forward. Countering this slowing are the tax rate increases in 2017 and 2018 and the elimination the life sciences deduction. The net effect is a boost in revenue growth to 7.4% in 2017, followed by 6.3% growth in 2018. Thereafter the growth rate drops to the 4% range.

Utility Business Tax - Private Utilities

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

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

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

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

Cable tax revenues show slightly 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 4.4% franchise fee makes funds available for cable-related public access purposes. This franchise fee is deposited into the City's Cable TV Franchise Fee Subfund. Cable revenues have been growing, but with increased competition from satellite and internet television providers, the growth has been somewhat muted and continues to be a source of risk to the forecast.

Revenue Overview

Utility Business Tax - Public Utilities

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

Revenue Stabilization Account Surcharge is in effect. City Light sells excess power on the wholesale energy market. City Light energy production, almost exclusively hydro power, competes with natural gas in the wholesale market. For the 2010 fiscal year, the City Council authorized the creation of a rate stabilization account (RSA) for the utility funded with an as needed surcharge based on funding levels of the RSA. The rate stabilization surcharge was triggered in 2016 because the RSA funding level has dropped below \$90 million, the account's minimum required balance set by Council. This forecast expects the surcharge to remain in effect into the second quarter of 2018.

No change for water retail rates in 2018. Tax revenue growth is expected to average 2.6% for the 2017 and 2018.

Drainage and Wastewater rate path has changed. The rate path that City Council agreed to for drainage and wastewater in 2016 has shifted slightly. Instead of large increases beginning in 2019, the rate path has been smoothed bringing forward smaller increases in rates beginning in 2018. This will yield a tax growth rate of 7.6% in 2018.

Increased Solid Waste Tax Rate for 2017. The utility tax rate on both City of Seattle and commercial solid waste has increased to 14.2% effective April 1, 2017. This will yield an additional \$7 million for the biennium with revenue growth rates of 25.5% in 2017 and 7.1% in 2018.

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

Other Notable Taxes

Admission Tax. The City imposes a 5% tax on admission charges to most Seattle entertainment events, the maximum allowed by state statute. This revenue source is highly sensitive to swings in attendance at athletic events. It is also dependent on economic conditions, as people's ability and desire to spend money on entertainment is influenced by the general prosperity in the region. Recently, entertainment venues have opened around the City increasing the size of the tax base. Revenues are forecast to grow by an average annual rate of 3.1% for 2017 and 2018.

20% of admission tax revenues, excluding men's professional basketball, were dedicated to programs supported by the Office of Arts and Culture (Arts). In 2010 this contribution increased to 75% based on the actual admission tax receipts from two years prior, this was increased to 80% for 2016. In 2017 funding was increased to 90% and then 100% of actual receipts in 2018. As a result, Arts is fully funded by the admission tax, except for money received from the 1% for Arts program. The forecasts in Figure 10 for admission taxes reflect the full amount of tax revenue. The Office of Arts and Culture section of this document provides further detail on the Office's use of Arts Account revenue from the admission tax and the implementation of this change.

Revenue Overview

Sweetened Beverage Tax. On June 5, 2017, City Council approved the Sweetened Beverage Tax (SBT) effective January 1, 2018. Distributors of sweetened beverages are liable for the tax of \$0.0175 per fluid ounce of sweetened beverage distributed into the city of Seattle for final sale to the consumer. The 2018 Proposed Budget includes \$14.8 million in SBT revenues. Sweetened beverages include sodas, energy drinks, sweetened juices and teas, sports drinks and ready-to-drink coffee drinks. Revenues will be used to fund educational and food access programs.

Licenses and Permits

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

In 2005 the City instituted a two-tier business license fee structure. The cost of a license, which had been \$80 per year for all businesses, was raised to \$90 for businesses with worldwide revenues of more than \$20,000 per year and lowered to \$45 for businesses with worldwide revenues less than \$20,000 per year. The City increased these fees for 2015 license renewals to \$110 and \$55, respectively, which yielded approximately \$1.1 million in additional revenue.

To provide funding for additional police officers, the City implemented a new business license fee structure that took effect for 2017 licenses. Fees are being increased for businesses that have a taxable income (reported for B&O tax purposes) greater than \$500,000. Fees for all other businesses will remain at 2016 levels (See Figure 16). Fee increases will be phased in over a three-year period, 2017 – 2019, and will increase with inflation annually thereafter. The fee increases are projected to generate \$3.5 million in 2016, \$6.9 million in 2017, and \$8.5 million in 2018.

Figure 16. Business License Fee Schedule, 2016 – 2019

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

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

Parking Meters/Traffic Permits

In spring 2004, the City of Seattle began replacing traditional individual space parking meters with pay stations in various areas throughout the City. In addition to offering the public more convenient payment options, including credit cards and debit cards, for hourly on-street parking, pay station technology has allowed the City to more actively manage the street right-of-way by adopting different pricing, time limit and other management parameters on different blocks throughout the city and at different times of day. The City currently has around 2,000 pay stations controlling approximately 12,300 parking spaces. The overall objective of the parking management program is to provide a more data-driven, outcome based management and price setting approach in pursuit of the adopted policy

Revenue Overview

goals of one to two 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, different rates were charged for these spaces according to their location 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 occupancy rates. As implemented in 2011, based on measured occupancy throughout the day, SDOT moved from the three-tiered rate approach to more finely adapted rates by individual neighborhood. 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 two to four hours) in eight neighborhoods and sub-areas. The 2013 Adopted Budget made no further rate, boundary or time limit changes, but assumed full implementation of a pay-by-phone (PBP) payment program. PBP allows individuals to pay for parking by credit card using a smart phone or other smart device, via an account with the City's contracted PBP vendor.

The 2015 Adopted Budget, based on collected occupancy data, assumed rate adjustments in several neighborhoods across the City and, for the first time, tested time-of-day pricing in the Chinatown-International District neighborhood, charging a different rate to park in the evening than at other times of day. The 2016 Adopted Budget provided for installation of new pay stations in several parking areas, which will allow parking managers to employ time-of-day pricing differences more extensively across the city. In the 2017 Adopted Budget Council further expanded the authorized minimum and maximum hourly parking rates from a low of \$0.50 to a high of \$5.00. The 2017 Adopted Budget further adopts, for the first time in the City, an extension of evening paid parking from 8:00 pm to 11:00 pm in the Pike-Pine, Capitol Hill North and Capitol Hill South areas. The City is also converting several blocks of non-paid parking to paid parking in the Pike-Pine (150 spaces) and South Lake Union (136 spaces) areas in response to measured occupancy rates. The 2018 Proposed Budget includes a variety of rate increases and decreases in several parking areas, in order to further implement time-of-day pricing and in response to parking demand (occupancy) data. The combination of these factors and moderate growth in demand for parking leads to a forecast of 4.9% revenue growth in on-street parking revenue between 2016 and 2017, from \$37.9 million to \$39.8 million. 2018 revenue is projected at \$40.9 million.

Street Use and Traffic Permits. Traffic-related permit fees, such as meter hood service, commercial vehicle load zone, truck overload, gross weight and other permits, reversed a downward recessionary trend in 2011, ending 23.3% higher at \$2.33 million than 2010 actual revenues of \$1.83 million. 2012 revenues increased 55% to \$3.65 million, 2013 revenues remained flat at \$3.64 million and 2014 revenues increased 19.4% to \$4.3 million. This increase was due to growing construction and service trade activity coming out of the recession, but also to the advent of the City's car sharing program with Car2Go. 2015 revenues increased nearly 58% over 2014 revenues to \$6.78 million. City Council approved legislation with the 2015 Adopted Budget that would allow additional car sharing permits and

Revenue Overview

firms to enter the Seattle market. The 2018 Proposed Budget assumes revenues of approximately \$7.1 million in 2017 and \$6.9 million in 2018.

Court Fines

Although shifting with the introduction of photo enforcement cameras, between 50% and 60% of fine revenues collected by the Seattle Municipal Court are from parking citations written by Seattle Police Department parking enforcement and traffic officers. Fines from photo enforcement in selected intersections and school zones now comprise approximately 35-45% of revenues and 5-10% comes from traffic and other tickets. Demand for parking enforcement has grown with changes in neighborhood development, parking design changes and enforcement programs throughout the City. The City has established several new Restricted Parking Zones (RPZs), especially around the light-rail train stations through the Rainier Valley. In response, an additional eight new PEOs were authorized in 2009, seven in 2010, and four 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 four or more outstanding parking citations in collections.

An additional eight PEOs were adopted for 2013 to compensate for the additional time anticipated to enforce compliance under the Seattle Department of Transportation's new pay-by-phone (PBP) program. The PBP program, allows the public to pay for parking with their smart phones or other mobile device. The City began PBP service in July 2013 in the downtown core with PEOs using smartphones to verify compliance rather than their existing handheld ticketing devices (HHTs). Full citywide roll out continued through October 2013.

In 2009, the City received \$27.2 million in court fines, including \$4.7 million from the expanded red-light camera enforcement program, which grew from six camera locations to 18 in the last quarter of 2008, and to nearly 30 total locations in early 2009. The 2012 Adopted Budget assumed addition of six more camera locations and four school zone speed camera locations. Due to engineering and permitting complications, installation of the cameras was delayed with the school zone speed cameras becoming operational in December 2012. Total court fines and forfeitures revenues for 2012 were \$32.0 million including \$3.76 million in camera enforcement revenues. In 2013 total revenues grew to \$38.7 million with \$9.9 million of red light and school zone camera enforcement revenues generated by the full year of operations.

The 2014 Adopted Budget assumed an increase in the number of school zone speed camera locations from the original four locations to a total of 15 locations by the end of 2014. Because of construction delays, the 2015 Adopted Budget assumed that only five of the 15 new locations would come on line in the fourth quarter of 2014 and the remaining six locations were delayed until 2015. Also, per Council action beginning in 2014 the school zone camera revenues will be deposited into a separate fund and will no longer appear in the General Subfund table. Total Fines revenues for 2014 (excluding school zone speed camera revenue) were \$29.5 million including \$4.5 million of red light camera infraction revenues. School zone camera revenues totaled \$5.1 million in 2014. Non-camera fines decreased in 2014 to \$25.0 million from \$28.7 million in 2013 due to management changes, which resulted in greater than anticipated decreases in parking citations. The 2016 Adopted Budget assumed this trend in non-camera citation revenue would continue and reach a low point in 2015 before recovering in 2016. Total Fines revenues (excluding school zone speed camera revenue) decreased to \$28.4 million in 2015, with non-camera revenues declining to \$24.0 million. Red light camera and school zone camera revenues in 2015 were \$4.4 million and \$5.8 million respectively.

Revenue Overview

With the installation delays, the increase in school zone speed camera revenue occurred in 2016, increasing to \$13.2 million. The 2018 Proposed Budget assumes school zone speed camera revenues of \$9.8 million in 2017 and \$7.3 million in 2018, as the public learns and adjusts to the 2015 installation locations. Red light camera revenues in 2017-2018 are projected to remain relatively flat at about \$4.0 million in each year. Non-camera fine revenues are projected to decrease in 2017 to \$21.9 million before returning to 2016 levels at \$23.8 million in 2018. Total fines revenues (excluding school zone speed camera revenue) are projected at \$26.6 million in 2017 and \$28.6 million in 2018.

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 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 and the Federal Reserve's unprecedented purchasing of assets through quantitative easing, borrowing rates fell to historic lows. These rates have remained relatively low through 2017 even as the Fed exits their purchasing programs. The annual earnings yield for the cash pool is expected to be 1.7% in 2017, and 2.38% in 2018. Should the economy suffer any setbacks, these rates would be expected to fall.

Revenue from Other Public Entities

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

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

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

State budget restores liquor related revenues to cities. Cities in the state of Washington typically receive two liquor related revenues from the state. One is related to the liquor excise tax on sales of spirits and the other is a share in the State Liquor Board's profits accrued from the operation from their

Revenue Overview

monopoly on spirits sales. The state no longer holds the monopoly in liquor sales in the state due to the passing of Initiative 1183 in November of 2011. The initiative guaranteed the cities would continue to receive distributions in an amount equal to or greater than what they received from liquor board profits prior to the implementation of the initiative as well as an additional \$10 million to be shared annually. There was no guarantee concerning liquor excise taxes. In recent budgets the state has eliminated, on a temporary basis, the sharing of liquor excise taxes. Distributions resumed in the 3rd quarter of 2013, but were lower than pre-I-1183 years. The State has restored the excise tax funding to cities.

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. More details about these cost allocations and methods are detailed in the Cost Allocation section of this budget.

Interfund Transfers

Interfund transfers. Occasionally, transfers from departments to the General 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 adopting the 2018 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.

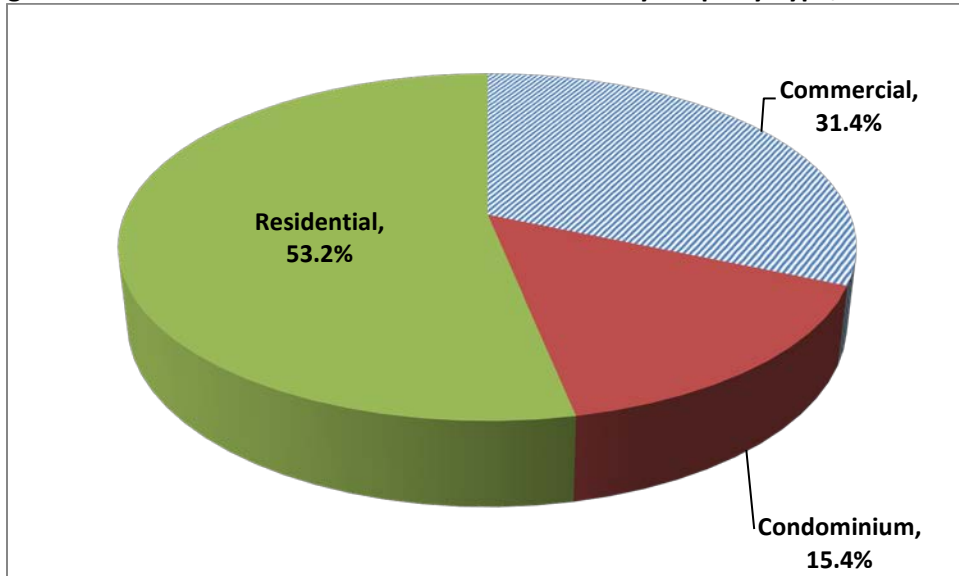
The REET is levied by the City at a rate of 0.5% on sales of real estate measured by the full selling price. Because the tax is levied on transactions, the amount of revenue that the City receives from REET is determined by both the volume and value of transactions.

Over time, 53.2% of the City's REET tax base has come from the sale of residential properties, which include single-family homes, duplexes, and triplexes. Commercial sales, which include apartments with

Revenue Overview

four units or more, account for 31.4% of the tax base, and condominiums constitute the remaining 15.4% (see Figure 17).

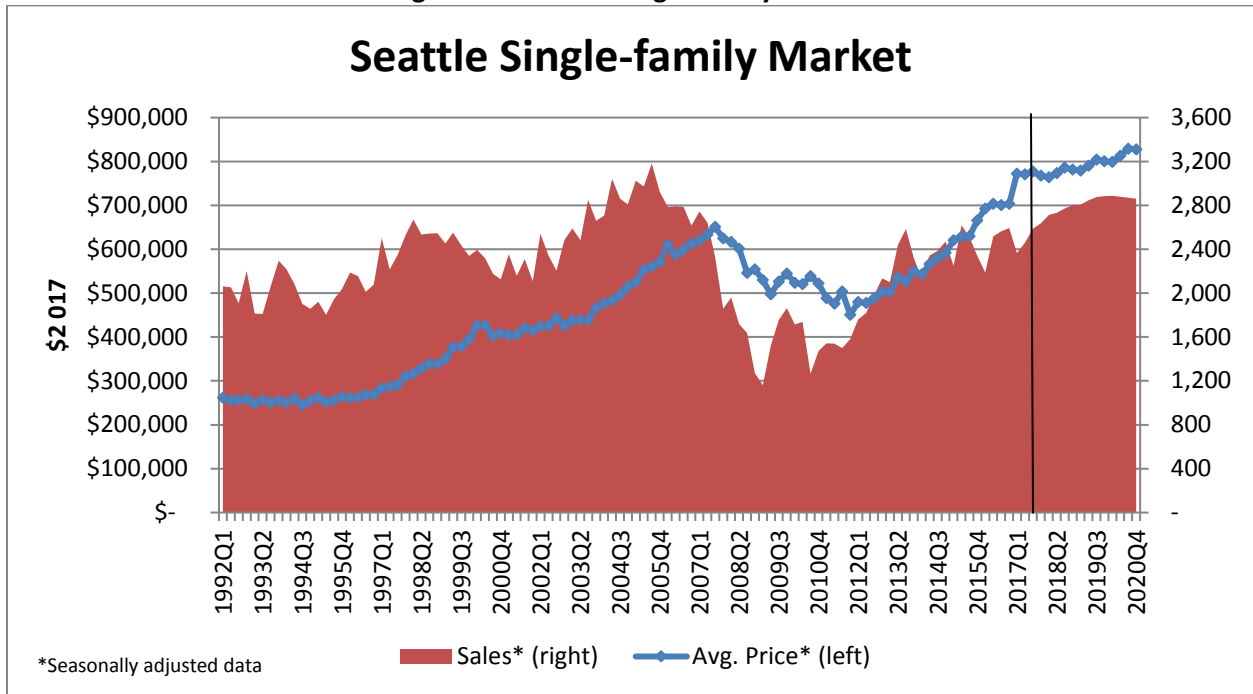
Figure 17. Value of Seattle Real Estate Transactions by Property Type, 1982 - 2016



The residential market continues to grow. The value of Seattle real estate transactions (the REET tax base) increased at an average annual rate of 13.1% between 1982 and 2007, a period when Seattle area inflation averaged only 3.4% per year. Growth was particularly strong during the recent boom years, fueled by low interest rates and a growing economy. 2008 saw the national property bust that started in late 2005 come to Seattle. The REET tax base declined 50.7% from 2007 to 2008, and continued to decline by 23.4% into 2009. The decline was felt across all three real estate categories. The first quarter of 2009 was the bottom of Seattle's residential market for both sales and prices on a seasonally adjusted basis. With low financing rates and a growing economy, residential and condominium sales have been on an upswing in Seattle increasing real estate excise tax revenues. Single-family home prices, both nominal and adjusted for inflation, have well surpassed their previous peak set in 2007 (see Figure 18). Average prices are expected to continue to increase over the next few years while sales volume will remain flat.

Revenue Overview

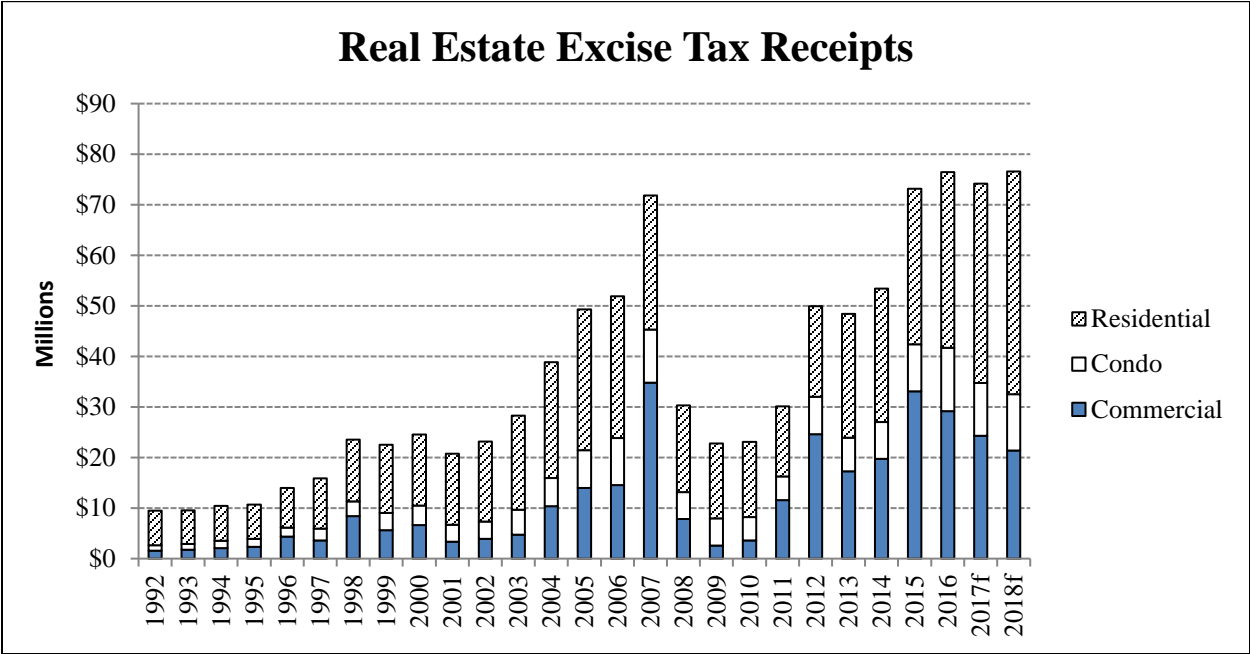
Figure 18. Seattle Single-family Market



The volatility of REET is reflected by the fact that despite a 9.0% average annual growth rate, the REET tax base declined in ten years during the period 1982–2016. This volatility is largely the result of changes in sales volumes, which are sensitive to shifts in economic conditions and movements in interest rates; average prices tend to be more stable over time. Commercial activity tends to be more volatile than the residential market, in part because the sale of a handful of expensive properties can result in significant swings in the value of commercial sales from one year to the next, as was seen in 2007, 2012, and 2015 (see Figure 20). Those years saw significant commercial activity with many large buildings in the downtown core changing hands.

Revenue Overview

Figure 20. REET Revenues



Revenue Overview

Figure 21. Seattle City Tax Rates

	2013	2014	2015	2016	2017
Property Taxes (Dollars per \$1,000 of Assessed Value)					
General Property Tax	\$1.90	\$1.80	\$1.63	\$1.47	\$1.35
Families & Education	0.27	0.25	0.23	0.20	0.18
Parks and Open Space	0.20	0.19			
Low Income Housing	0.17	0.16	0.14	0.12	0.22
Fire Facilities					
Transportation	0.35	0.31	0.27	0.58	0.52
Pike Place Market	0.10	0.06			
Library	0.14	0.13	0.12	0.11	0.09
Pre-School For All			0.10	0.09	0.08
Election Vouchers				0.02	0.02
City Excess GO Bond	0.14	0.14	0.13	0.18	0.16
Other Property Taxes related to the City					
Seattle Park District	-	-	-	0.29	0.28
Emergency Medical Services	0.30	0.33	0.30	0.28	0.26
Retail Sales and Use Tax					
	0.85%	0.85%	0.85%	0.85%	0.85%
Transportation Benefit District Sales and Use Tax					
	-	-	-	0.10%	0.10%
Business and Occupation Tax					
Retail/Wholesale	0.215%	0.215%	0.215%	0.215%	0.222%
Manufacturing/Extracting	0.215%	0.215%	0.215%	0.215%	0.222%
Printing/Publishing	0.215%	0.215%	0.215%	0.215%	0.222%
Service, other	0.415%	0.415%	0.415%	0.415%	0.427%
International Finance	0.150%	0.150%	0.150%	0.150%	0.427%
City of Seattle Public Utility Business Taxes					
City Light	6.00%	6.00%	6.00%	6.00%	6.00%
City Water	15.54%	15.54%	15.54%	15.54%	15.54%
City Drainage	11.50%	11.50%	11.50%	11.50%	11.50%
City Wastewater	12.00%	12.00%	12.00%	12.00%	12.00%
City Solid Waste*	11.50%	11.50%	11.50%	11.50%	14.20%
City of Seattle Private Utility B&O Tax Rates					
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%
Other Taxes					
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%
Cable Franchise Fee	4.40%	4.40%	4.40%	4.40%	4.40%
Gun Tax (Dollars per weapon)	-	-	-	\$25.00	\$25.00
Ammunition Tax (Dollars per round)	-	-	-	\$0.05	\$0.05

*Increase effective April 1, 2017

Selected Financial Policies

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

Budgetary Basis

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

Appropriations and Execution

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

Selected Financial Policies

Budget Transfers

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

Debt Policies

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

General Fund Fund Balance and Reserve Policies

- State law allows the City to maintain an emergency reserve at a maximum statutory-authorized level of 37.5 cents per \$1,000 of assessed property value in the city. The City's previous practice had been to fully fund the emergency reserve to this maximum limit. However, over the past several years assessed values have undergone significant growth and are expected to continue at a rate that far outpaces the projected City's revenue growth rate. In 2017 the City modified the existing financial policies for the Emergency Subfund (ESF) to establish a minimum balance of \$60 million, and to adjust that level each year with the rate of inflation. This implies that the ESF would continue to grow, but at somewhat lower rate than under the previous policy. This policy change strikes a balance between ensuring that resources will be available to address unanticipated expenditures and making resources available to address current needs.
- Annual contributions of 0.50% of forecasted tax revenues are automatically made to the Revenue Stabilization Account of the Cumulative Reserve Subfund (commonly referred to as the "Rainy Day Fund").¹ 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

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

Selected Financial Policies

members of the Seattle City Council and must be informed by the evaluation of out-year financial projections.

Other Citywide Policies

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

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 reviewed expenditures, advised on allocations, made recommendations on Opportunity Fund expenditures, and performed other duties. The 2008 Levy expired at the end of 2014. In 2017-18 and beyond, the Department of Parks and Recreation (DPR) will spend down the fund balance and any outstanding property tax revenues that may be collected.

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 DPR facilities.

DPR manages the 2008 Parks Levy Fund and the majority of the levy-funded projects. With these levy resources, the City acquired new neighborhood park and green spaces; developed new and existing parks, playgrounds, trails, boulevards, playfields, and cultural facilities; and performed environmental restoration at various properties. The 2008 Parks Levy also included a development opportunity fund for citizen-initiated projects called the Opportunity Fund.

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

Park and Green Space Acquisition: The 2008 Parks Levy provided \$36 million for neighborhood park and green space acquisitions. To date, \$35 million has been appropriated for property acquisitions. The department has implemented a policy to land bank all newly acquired green space until funding for park development is available. The Seattle Park District (approved by voters in 2014) includes funding to develop 14 land banked parks starting in 2016 and continuing through 2020.

Park Development Projects: The levy provided \$87 million for 62 named development projects, three of which are trail projects managed by the Seattle Department of Transportation. To date, \$81 million has been appropriated for development projects. Approximately \$3.4 million of savings were 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 2008 Parks Levy provided \$8 million for environmental projects, including forest and stream restoration, community garden and P-Patch development, and expanded shoreline access. The \$8 million has been appropriated for environmental projects.

Opportunity Fund: The levy provided \$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. In 2013, the Oversight Committee recommended funding three acquisition projects, and 11 development projects. The \$15 million has been appropriated for the Opportunity Fund projects.

2008 Parks Levy

Budget Snapshot

Department Support	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Other Funding - Operating	\$11,628,999	\$0	\$0	\$0
Total Operations	\$11,628,999	\$0	\$0	\$0
Total Appropriations	\$11,628,999	\$0	\$0	\$0
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 Human Resources Director actions outside of the budget process may not be detailed here.

Budget Overview

The 2008 Parks Levy has expired. Current revenues are derived from delinquent property tax bills. There are no current appropriations for the 2008 Parks Levy, but DPR continues to spend down existing appropriations. The City will appropriate any remaining funds through additional legislation as projects are identified.

Revenue Overview

2018 Estimated Revenues

Summit Code	Source	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
433000	Grants and Other Revenue	476,069	0	0	2,929,661
	Total Grants and Other Revenue	476,069	0	0	2,929,661
411100	Taxes, Levies, & Bonds	224,283	40,000	21,000	100,000
	Total Taxes, Levies, & Bonds	224,283	40,000	21,000	100,000
	Total Revenues	700,352	40,000	21,000	3,029,661
	Total Resources	700,352	40,000	21,000	3,029,661

2012 Library Levy

Department Overview

In August 2012, Seattle voters approved a seven-year, \$123 million levy to support, maintain and improve core Library services. The Chief Librarian and the Library Board of Trustees prepare annual progress reports that show how levy proceeds have been used each year.

The 2012 Library Levy allows the Library 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 make reductions to collections and open hours. The levy supports four priority areas identified through a public process that engaged nearly 39,000 residents: open hours, the collection of books and materials, computers and online services, and building maintenance. As part of this planning process, the Library developed a strategic plan that supports reading, personal growth, education, access to information, empowerment of Seattle's neighborhoods, building partnerships and innovation and five action-oriented service priorities: youth and family learning; technology and access; community engagement; Seattle culture and history; and reimagined spaces.

The 2012 Library Levy supports the following categories of library services (dollar amounts reflect preliminary 2018 allocations). Final 2018 allocations will be determined as part of the 2018 Library Operations Plan.

Hours and Access: The levy provides approximately \$4.4 million in 2018 to increase operating hours (over 2012 levels) at branch libraries and bolster reference services to support patrons at branches and the Central Library. Funding also provides support for operational functions that support open hours, such as security services, technology support and maintenance. Since 2013, levy funds have been used to keep Columbia and Northgate branches open on Fridays. Starting in 2016, levy funds have been used to provide Friday hours at High Point, International District/Chinatown, South Park and University branches.

Collections: The levy provides approximately \$3.3 million in 2018 to add to the variety and depth of the Library's collection to better meet patron demand for material in all formats. The collections component of the levy also funds a significant increase in purchasing of downloadable materials such as e-books, and more copies of popular materials in print, digital and other formats. In 2017, with levy funding, the Library launched Peak Picks, a new collection designed to make more popular, high-interest adult fiction and nonfiction books available to patrons visiting the Library at seven library branches and the Central Library. In late 2017, the Library will expand Peaks Picks to all Library locations and will support it with increased levy funding.

Technology and Online Services: The levy provides approximately \$1.9 million in 2018 to replace and upgrade computers and technology infrastructure that was purchased during the Libraries for All (LFA) capital program, providing users access to up-to-date technology tools and resources. The levy also funds a redesigned website scheduled for rollout in early 2018 and improvements to online services to ensure patrons can successfully find and use online material through the Library's online platform.

Regular Maintenance: The levy provides approximately \$1.5 million in 2018 for regular maintenance to sustain the public's investment in the Central Library and 26 branches that were constructed or remodeled as a result of the 1998 LFA bond measure. Seattle's libraries are among the most heavily used public buildings in the city and require additional resources as they age in order to preserve environments that are safe, clean and welcoming.

Major Maintenance: The levy provides approximately \$4.1 million in 2018 for sustained stewardship of library facilities. Prior to the levy, the Library's capital improvement program (CIP) was largely funded by allocations from

2012 Library Levy

the City's Real Estate Excise Tax (REET). Levy funds have largely replaced REET funding for Library major maintenance throughout the system. REET now provides funding for projects beyond the intended scope of the levy. Included in the levy scope for major maintenance is maintenance necessary for building components such as roofs, floors, finishes, HVAC and mechanical systems. It does not include any funding for new or expanded library space.

Additionally, the levy provides approximately \$4.8 million in 2018 to maintain existing core functions and services at 2012 levels and about \$300,000 annually to support implementation and accountability measures for levy programs and annual reporting to the public on levy outcomes.

The 2012 Library Levy Fund chapter of the budget is used to show the approved uses of the levy. Levy funds to support the Library's operations are transferred to the Library's operating fund and the appropriations are shown in the Library's section of the 2018 Proposed Budget. Capital Improvement Program (CIP) spending for major maintenance is made directly from the Levy Fund and all CIP appropriations are reflected in the Library's section of the Proposed CIP Budget.

Budget Overview

The 2018 Proposed Budget marks the sixth year of the seven-year, voter-approved \$123 million Library Levy. The levy supports four core service areas identified through an extensive public engagement process: open library hours, the collection of books and materials, computers and online services, and building maintenance. The 2018 Proposed Budget includes continued levy support to expand Friday operations for four additional branches: International District/Chinatown, University, High Point and South Park. These branches began operating on Fridays in mid-2016. It also includes \$500,000 for cabling work at the Central Library building. Levy support in the 2018 Proposed Budget includes \$16.2 million for operating support (including use of \$805,370 of prior year carry-forward) and \$4.1 million in 2018 for facilities capital support.

Incremental Budget Changes

2012 Library Levy

	2018 Budget
Total 2018 Endorsed Budget	\$ 14,905,762
Proposed Technical Changes	
Transfer of Levy Funds to Support Library Operations	\$ 500,370
Total Incremental Changes	\$ 500,370
2018 Proposed Budget	\$ 15,406,132

2012 Library Levy

Descriptions of Incremental Budget Changes

Proposed Technical Changes

Transfer of Levy Funds to Support Library Operations - \$500,370

This item appropriates additional funds out of the 2012 Library Levy Fund as part of the planned increase of support for Library operations. Changes reflects an increase for cabling at the Central Library.

Expenditure Overview

Appropriations	Summit Code	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Library Levy Operating	18100-	13,340,239	14,503,161	14,905,762	15,406,132
Transfer Budget Control Level	B9TRF				
Capital	18100	3,076,009	3,673,000	3,772,000	4,072,438
Department Total		16,416,248	18,176,161	18,677,762	19,478,570

Revenue Overview

2018 Estimated Revenues

Summit Code	Source	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
411100	Property Tax	17,431,905	17,513,077	17,688,208	17,688,207
461110	Interest Earnings	120,629	100,000	50,000	100,000
	Total Library Levy Fund	17,552,534	17,613,077	17,738,208	17,788,207
	Total Revenues	17,552,534	17,613,077	17,738,208	17,788,207
379100	Use of (Contribution To) Fund Balance	1,136,285	563,084	939,554	1,690,363
	Total Library Levy Fund	1,136,285	563,084	939,554	1,690,363
	Total Resources	18,688,819	18,176,161	18,677,762	19,478,570

2012 Library Levy

Appropriations By Program

Library Levy Operating Transfer

The purpose of the Library Levy Operating Transfer program is to transfer funds to the Library Fund (10410) for library operations. This program is funded by Library Levy dollars (Fund 18100).

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Library Levy Operating Transfer	16,416,248	14,503,161	14,905,762	15,406,132
Total	16,416,248	14,503,161	14,905,762	15,406,132

2012 Library Levy Fund Table

2012 Library Levy Fund (18100)

	2016	2017	2017	2018	2018
	Actuals	Adopted	Revised	Endorsed	Proposed
Beginning Fund Balance	9,582,458	5,941,044	10,718,744	4,439,960	3,667,114
Accounting and Technical Adjustments		(938,000)		(805,370)	(805,000)
Plus: Actual and Estimated Revenue	17,552,534	17,613,077	17,638,077	17,738,208	17,788,208
Less: Actual and Budgeted Expenditures	13,340,239	14,503,161	18,243,060	14,905,762	15,406,132
Less: Capital Improvements	3,076,009	3,673,000	6,446,647	3,772,000	4,072,438
Ending Fund Balance	10,718,744	4,439,960	3,667,114	2,695,036	1,171,752
Planning Reserve	-				-
Levy Reserve for Future Use	-	805,370	805,370		
Total Reserves	-	805,370	805,370	-	-
Ending Unreserved Fund Balance	10,718,744	3,634,590	2,861,744	2,695,036	1,171,752

Office of Arts and Culture

Randy Engstrom, Director

(206) 684-7171

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

Department Overview

The Office of Arts & Culture (ARTS) envisions a city driven by creativity that provides the opportunity for everyone to engage in diverse arts and cultural experiences. The office promotes Seattle as a cultural destination and invests in Seattle's arts and cultural sector to ensure the City provides a wide range of high-quality programs, exhibits and public art. ARTS includes seven programs: Cultural Partnerships, Community Development and Outreach, Cultural Facilities Operations, Public Art, Artwork Conservation, Administrative Services, and Cultural Space. These programs are supported by two funding sources: the Arts Account, which is primarily funded through an allocation of the City's admission tax revenues, and the Municipal Arts Fund, which is supported by the 1% for Arts contributions.

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 materials to promote Seattle as a creative capital.

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

The **Cultural Facilities Operations** Program (formerly named the Langston Hughes Performing Arts Institute Program) provides for the operation of Langston Hughes Performing Arts Institute, a cultural facility that provides rental spaces and technical assistance, and that works in partnership with LANGSTON, a non-profit organization, to present classes, performing arts academies, programs and events, with the goal of providing quality cultural programs with educational components that meet the needs of the community. Beginning in 2018, this program will also support the operation and programming of the King Street Station rotating gallery expected to open to the public in the fall of 2018.

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

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

The **Administrative Services** Program provides executive management and support services for the office; supports the Seattle Arts Commission, a 16-member advisory board that advises the office, Mayor and City

Office of Arts and Culture

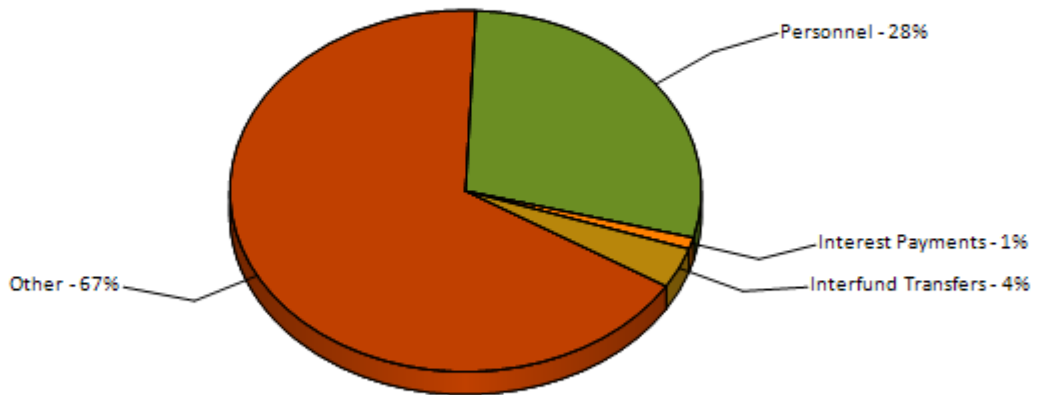
Council on arts programs and policy; and promotes the role of the arts in economic development, arts education for young people and cultural tourism.

Budget Snapshot

Department Support	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Other Funding - Operating	\$10,117,319	\$12,787,413	\$12,475,848	\$13,901,534
Total Operations	\$10,117,319	\$12,787,413	\$12,475,848	\$13,901,534
Total Appropriations	\$10,117,319	\$12,787,413	\$12,475,848	\$13,901,534
Full-time Equivalent Total*	29.09	31.09	31.09	34.09

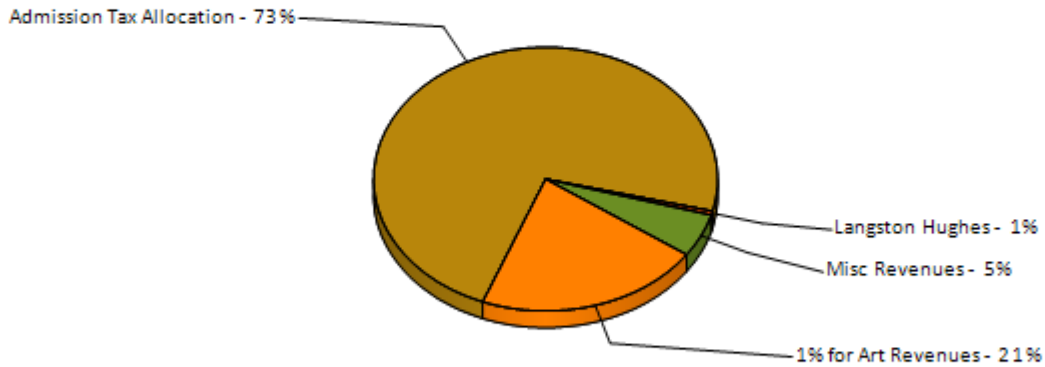
* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

2018 Proposed Budget - Expenditure by Category



Office of Arts and Culture

2018 Proposed Budget - Revenue by Category



Budget Overview

The Office of Arts and Culture (ARTS) is funded primarily by the revenue derived from admission taxes and the 1% for Art Program. This funding supports arts-related programs and capital expenditures to keep artists living and working in Seattle, builds community through arts and cultural events and the placement of public art, and increases arts opportunities for youth. In 2010, the allocation of admission tax dedicated to ARTS increased significantly to 70% of collection and remained at this level for several years. Over the last several years, the allocation of admission tax for arts has increased from 70% in 2015 to 80% in 2016, 90% in 2017, and in 2018, ARTS will receive 100% of admission tax revenue.

Building on the momentum of the 2018 Endorsed Budget, the 2018 Proposed Budget uses admissions tax growth strategically to focus on short-term programming and funding opportunities that target artists, students and community members from under-represented groups and that advance the goals of the City's Race and Social Justice Initiative (RSJI). Some of the racial equity work ARTS will undertake in 2018 includes providing RSJI training to ARTS partners and panel members, updating the translation of ARTS' materials, and expanding the Turning Commitment into Action model to include a series on creative strategies for racial justice. ARTS will also provide additional funding to Artists Up, a partnership with 4Culture which provides training, resources and services for artists of color, immigrants and others experiencing structural oppression. This small but important funding enhancement supports new services to artists with disabilities in Seattle and King County.

ARTS actively works with community and department partners to combat the displacement of arts and ethnic cultural spaces, maintain cultural affordability, and support the retention of art spaces in our neighborhoods. The 2018 Endorsed Budget included resources to further this goal, including a 300% expansion of the capital facility grant award program in response to community demand, restoration of other grant programs to pre-recession levels, and funding to engage and preserve cultural partners vulnerable to displacement pressure through the

Office of Arts and Culture

Equitable Development Initiative.

Over the past four years, ARTS has worked with other City departments and community stakeholders to identify opportunities to increase affordability, stabilize cultural communities in flux, and bring equity to the current wave of property development. The culmination of this work was the Create Activate Preserve (CAP) Report released in 2017. The 2018 Proposed Budget provides resources for the establishment of a new Arts and Cultural District in 2018 and exploration of tools recommended in the CAP Report.

Another tool ARTS will use to stabilize and improve cultural anchors in 2018 is the recently expanded Cultural Facilities Fund program. In early 2018, following a late 2017 grant award process, ARTS will award the first set of grants associated with this large-scale capital facilities grant award process, assisting cultural anchors in capital endeavors and preserving cultural spaces. The 2017 Adopted and 2018 Endorsed Budget funded a \$1.25 million award program over the biennium. The proposed budget provides a one-time increase to the award program, bringing the total award to \$1.4 million, to meet the growing demand for capital support for arts and culture organizations.

In 2018, ARTS will continue implementation of Creative Advantage, an arts-education initiative led by a public-private partnership that includes ARTS, Seattle Public Schools (SPS), and The Seattle Foundation. The Creative Advantage initiative began with 13 schools in 2016 and by the end of 2018 will be operating in 60 schools. The goal is to provide arts education to all K-12 students in the 100 schools within Seattle Public Schools. ARTS is on track to reach this goal by the 2022/2023 school year.

The 2018 Endorsed Budget included funding required for basic Creative Advantage implementation at new pathways schools. The proposed budget focuses new funding on related purposes including:

- expansion of skill centers in 2018 and additional professional development support to Seattle Public Schools;
- increased paid youth internship opportunities with arts and cultural organizations; and
- exploration of place-based arts for youth experiencing homelessness or at-risk of becoming homeless.

The Creative Advantage initiative's successful model of engaging youth in the arts makes it the ideal location to explore paid internships and place-based arts, both of which are new areas of engagement for ARTS. The proposed budget also recognizes the increased workload associated with working with partnership schools and adds staff support in ARTS to meet these needs.

In 2017, ARTS deepened its partnership with the Office of Film and Music (OFM) to provide funding to the Seattle Music Commission and salary support for a Creative Industries Business Advocate position. This partnership bridges efforts between ARTS and OFM to provide support, resources, and infrastructure for Seattle's creative economy, which is comprised of creative industries including film, music, visual arts, virtual reality, gaming and additional media sectors. The proposed budget continues this work by establishing an annual base level of funding for grants to film and music artists and organizations.

The proposed budget continues work related to ARTS' relocation to a new office in King Street Station. ARTS will open a cultural hub on the third floor of King Street Station, preserving historic cultural and affordable space in the heart of the city in 2018. At the same time, the ARTS offices will move into the historic building to provide more access to resources for the community. The 2017 Adopted and 2018 Endorsed Budget provided funding for all costs related to the move as well as some funding for space activation. Recognizing the increased operations and maintenance needs that arise from operating two cultural facilities, the proposed budget increases staff and intermittent funding to meet needs associated with the Langston Hughes Performing Arts Institute and King Street Station Gallery operations. The Langston Hughes Performing Arts Institute Program has also been renamed to Cultural Facilities Operations Program to reflect the addition of a new cultural space to ARTS' portfolio.

The 2018 Proposed Budget for the Municipal Arts Fund includes only technical changes to the 2018 Endorsed

Office of Arts and Culture

Budget:

- an update of estimated revenues to be collected from capital department projects participating in the 1% for Art contribution program;
- the movement of rent expenditures associated with the 1% for Art rotating gallery art storage from the Arts Account to the Municipal Art Fund; and
- a change of funding source for the Artwork Conservation Program from the Cumulative Reserve Subfund to Arts Account (backed by admission tax), a more suitable and sustainable source of revenue.

Budget Performance Measures

The Office of Arts and Culture (ARTS) participated in the Budget Performance Measures pilot. This pilot explores use of the annual budget book to discuss and display performance measures and related financial information for City departments. A more in-depth description of this pilot and its objectives can be found in the Budget Performance Measures section in the 2018 Proposed Budget introduction.

As part of this project, ARTS worked with the City Budget Office to:

1. identify and present service area workload performance measures;
2. present actual and estimated achievements for each measure; and
3. present specific budgetary appropriations and position authorities associated with each measure, as appropriate.

The Budget Performance Measures section in the 2018 Proposed Budget introduction contains detailed descriptions of ARTS' performance measures, including:

- Cultural Partnerships: Racial Equity Trainings
- Cultural Partnerships: Creative Advantage Program
- Cultural Partnerships: Cultural Investments

Office of Arts and Culture

Incremental Budget Changes

Office of Arts and Culture

	2018 Budget	FTE
Total 2018 Endorsed Budget	\$ 12,475,848	31.09
Baseline Changes		
Citywide Adjustments for Standard Cost Changes	\$ 144,115	0.00
Proposed Changes		
Increase Support for Racial Equity Strategies	\$ 145,000	0.00
Increase Support for Cultural Districts in 2018	\$ 50,000	0.00
Fund Additional 2018 Capital Grant Awards	\$ 150,000	0.00
Add Capacity for Creative Advantage Pathways School Management and Skill Center Work	\$ 262,462	1.00
Support Youth Initiatives Related to Employment and Homelessness	\$ 160,000	0.00
Increase Resources Available for Film and Music Grants	\$ 100,000	0.00
Provide Operational Resources for Cultural Facilities Managed by ARTS	\$ 217,321	2.00
Move Rental Charges for Artwork Storage from Arts Account to Municipal Art Fund	\$ 0	0.00
Proposed Technical Changes		
Fund Artwork Conservation with Admission Tax	\$ 196,788	0.00
Realign King Street Station Program Costs	\$ 0	0.00
Total Incremental Changes	\$ 1,425,686	3.00
2018 Proposed Budget	\$ 13,901,534	34.09

Descriptions of Incremental Budget Changes

Baseline Changes

Citywide Adjustments for Standard Cost Changes - \$144,115

Citywide technical adjustments made in the baseline phase reflect changes to internal services costs, health care, and industrial insurance charges for the department. These adjustments reflect initial assumptions about these costs and inflators early in the budget process.

Office of Arts and Culture

Proposed Changes

Increase Support for Racial Equity Strategies - \$145,000

The proposed budget provides a one-time increase in funding to further align the work of ARTS with the City's Race and Social Justice Initiative (RSJI). Funding will be used for the following investments in 2018:

- integration of creative methods into RSJI trainings, policy and planning processes in partnership with community organizations and other departments;
- expansion of the Turning Commitment into Action model to include a series on creative strategies for racial justice;
- provision of Race and Social Justice training for community organizations and individuals who sit on grant review panels, and other entities that partner with ARTS;
- support to Artists Up to expand services to artists with disabilities in Seattle and King County. This organization already serves artists of color, immigrants and others experiencing structural oppression; and
- review and update of materials translation.

Increase Support for Cultural Districts in 2018 - \$50,000

The Cultural District program seeks to create a series of small, culturally rich, geographies within which the City can pilot tools for the mitigation of displacement pressures. By the end of 2017, the City will have four active Cultural Districts with as many as three additional Cultural Districts coming online in future years. This adjustment provides a one-time increase to the base level of funding in ARTS used for Cultural District creation, support, and ongoing needs. ARTS will also use funds to implement some of the tools recommended in the Create Activate Preserve report within active Cultural Districts.

Fund Additional 2018 Capital Grant Awards - \$150,000

Through its competitive capital art grant program, ARTS has provided grants to arts and cultural organizations for small and mid-sized capital projects in prior years. The 2018 Endorsed Budget substantially increased the program to enable support of some large capital projects as well. As the economy has strengthened and more organizations undertake projects, demand for funding has increased. The proposed budget provides for a one-time increase to the amount of funding available for 2018 awards bringing the total award to \$1.4 million over the biennium to meet increasing external demands for funding.

Add Capacity for Creative Advantage Pathways School Management and Skill Center Work - \$262,462/1.00 FTE

This item provides resources and staffing to support strategic investments in 2018 to enhance The Creative Advantage Program and meet the increased workload associated with managing Pathways Schools. Investments include the implementation of a creative workforce development funding program and media arts skills center programs at two high schools; additional professional development for community arts partners and classroom teachers; and resources for City Youth Opportunity priorities. In 2019, funds will maintain staffing and support expansion of The Creative Advantage into additional schools within the school district, as well as increasing partnerships with teaching artists and organizations on the community arts partner roster, which is maintained by ARTS. The Creative Advantage will be implemented in 60 schools by the end of 2018 with the goal of reaching 100 schools (all Seattle Public Schools) by the 2022/2023 school year.

Office of Arts and Culture

Support Youth Initiatives Related to Employment and Homelessness - \$160,000

In 2018, ARTS will explore partnerships with arts organizations to provide paid internships for youth and invest in place-based arts experiences for youth who are currently experiencing homelessness or are considered at-risk of becoming homeless. Both investments will use the structure and goals of The Creative Advantage program which is an established model for engaging with youth. This one-time funding will enable ARTS to complete a Racial Equity Toolkit, establish organizational partnerships, place youth and set up place-based art venues, and evaluate program achievements. Ongoing funding may be requested in a future budget cycle. ARTS estimates that this funding will provide about 4,000 paid internship hours and the opportunity for 150 to 300 at-risk or homeless youth to participate in arts over the course of a year.

Increase Resources Available for Film and Music Grants - \$100,000

The proposed budget establishes an annual base level of funding for grants to film and music artists and organizations. The department has historically focused resources every other year for film and music, alternating with other focus areas. This add establishes a consistent base level of annual funding for film and music focused awards.

Provide Operational Resources for Cultural Facilities Managed by ARTS - \$217,321/2.00 FTE

This item adds two new full-time positions and intermittent staff funding for the operations and maintenance of the Langston Hughes Performing Arts Institute and the King Street Station rotating gallery currently in design. The proposed budget provides only partial funding for the positions because King Street Station will not open until late 2018; the full appropriation for these positions will be needed in 2019. The Langston Hughes Performing Arts Institute Program has been renamed to the Cultural Facilities Operations Program to reflect operation of two cultural facilities in 2018.

Move Rental Charges for Artwork Storage from Arts Account to Municipal Art Fund

This net-zero budget adjustment moves rental charges for the storage of public art purchased by the 1% for Art Program from the Arts Account to the Municipal Art Fund. This cost will now be supported by revenue collected by ARTS from the Art owners: General Fund, Seattle Public Utilities, and Seattle City Light.

Proposed Technical Changes

Fund Artwork Conservation with Admission Tax - \$196,788

Beginning in 2018, the Artwork Conservation Program will be funded by admission tax revenue instead of non-revenue backed Cumulative Reserve Subfund contributions. This adjustment adds budget authority for the Arts Account Fund to pay the Municipal Art Fund for this service.

Office of Arts and Culture

Realign King Street Station Program Costs

This item makes a net-zero technical change to align budget for the King Street Station project in the proper accounts and programs where costs will occur in ARTS in 2018.

Expenditure Overview

Appropriations	Summit Code	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Arts Account Budget Control					
Administrative Services		585,133	1,606,543	1,556,142	2,034,524
Community Development and Outreach		656,747	502,657	517,260	523,245
Cultural Facilities Operations		451,450	473,066	487,169	861,353
Cultural Partnerships		4,576,976	4,927,362	5,132,161	5,658,211
Total	VA140	6,270,306	7,509,628	7,692,732	9,077,333
Cultural Space Budget Control Level	VA140G	731,248	1,921,765	1,392,294	1,337,553
Municipal Arts Fund Budget Control					
Artwork Conservation		167,028	192,527	195,486	196,788
Public Art		2,948,737	3,163,493	3,195,336	3,289,860
Total	2VMAO	3,115,765	3,356,020	3,390,822	3,486,648
Department Total		10,117,319	12,787,413	12,475,848	13,901,534
Department Full-time Equivalent Total*		29.09	31.09	31.09	34.09

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

Office of Arts and Culture

Revenue Overview

2018 Estimated Revenues

Summit Code	Source	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
587001	Interfund Transfers - Admissions Tax Allocation	6,492,924	7,914,128	9,004,368	10,328,191
	Total Admission Tax Allocation	6,492,924	7,914,128	9,004,368	10,328,191
587001	Interfund Transfers - Langston Hughes Operating	41,900	32,000	32,000	32,000
587001	Interfund Transfers - Langston Hughes Rental Income	0	40,000	40,000	40,000
	Total Langston Hughes	41,900	72,000	72,000	72,000
431010	NEA Grant	15,000	0	0	0
461110	Interest Earnings	49,209	20,000	20,000	50,000
461110	Interest Increase/Decrease	-14,773	0	0	0
469990	Misc Income	2,685	0	0	0
469990	Other Grant	31,000	0	0	0
587001	Interfund Transfers - General Fund	1,500,000	1,400,000	0	0
441990	Public Art Collection Management Fees	234,622	264,187	270,154	349,833
461110	Interest Earnings	133,608	77,235	79,552	133,900
461110	Interest Increase/Decrease	-50,429	0	0	0
469990	Misc Revenues	10,000	9,930	10,228	24,000
587116	Interfund Transfers - CRS-U	187,000	192,610	198,388	0
587900	Interfund Transfers - Arts Account	0	0	0	196,788
	Total Misc Revenues	2,097,922	1,963,962	578,322	754,521
541190	Interfund Transfers - 1% for Art	4,379,111	3,972,089	3,000,000	3,009,335
	Total 1% for Art Revenues	4,379,111	3,972,089	3,000,000	3,009,335
	Total Revenues	13,011,857	13,922,179	12,654,690	14,164,047
379100	Use of/(Contribution to) Fund Balance	-1,116,391	25,265	-11,342	-35,305
379100	Use of/(Contribution to) Fund Balance	-1,778,147	-1,160,031	-167,500	-227,208
	Total Use of/(Contribution to) Fund Balance	-2,894,538	-1,134,766	-178,842	-262,513
	Total Resources	10,117,319	12,787,413	12,475,848	13,901,534

Office of Arts and Culture

Appropriations By Budget Control Level (BCL) and Program

Arts Account Budget Control Level

The purpose of the Arts Account Budget Control Level is to invest in Seattle's arts and cultural community.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Administrative Services	585,133	1,606,543	1,556,142	2,034,524
Community Development and Outreach	656,747	502,657	517,260	523,245
Cultural Facilities Operations	451,450	473,066	487,169	861,353
Cultural Partnerships	4,576,976	4,927,362	5,132,161	5,658,211
Total	6,270,306	7,509,628	7,692,732	9,077,333
Full-time Equivalents Total*	18.34	18.34	18.34	21.34

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

The following information summarizes the programs in Arts Account Budget Control Level:

Administrative Services 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 16-member advisory board that advises the Office, Mayor, and City Council on arts programs and policy.

	2016	2017	2018	2018
Expenditures/FTE	Actuals	Adopted	Endorsed	Proposed
Administrative Services	585,133	1,606,543	1,556,142	2,034,524
Full-time Equivalents Total	5.00	5.00	5.00	5.00

Community Development and Outreach 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."

	2016	2017	2018	2018
Expenditures/FTE	Actuals	Adopted	Endorsed	Proposed
Community Development and Outreach	656,747	502,657	517,260	523,245
Full-time Equivalents Total	3.00	2.00	2.00	2.00

Cultural Facilities Operations Program

The purpose of the Cultural Facilities Operations Program is to provide resources for the operation of Langston Hughes Performing Arts Institute (LHPAI), a cultural performing arts institute that presents classes, performing arts academies, programs and events, and whose goals are to provide quality cultural programs with

Office of Arts and Culture

educational components that meet the needs of the community; and, the operation of the King Street Station rotating gallery space.

Expenditures/FTE	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Cultural Facilities Operations	451,450	473,066	487,169	861,353
Full-time Equivalents Total	3.59	3.59	3.59	5.59

Cultural Partnerships 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	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Cultural Partnerships	4,576,976	4,927,362	5,132,161	5,658,211
Full-time Equivalents Total	6.75	7.75	7.75	8.75

Cultural Space Budget Control Level

The purpose of the Cultural Space Budget Control Level is to fund the development of new cultural spaces, the retention of crucial cultural anchors, and physical space improvements in existing cultural institutions.

Program Expenditures	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Cultural Space	731,248	1,921,765	1,392,294	1,337,553
Total	731,248	1,921,765	1,392,294	1,337,553
Full-time Equivalents Total*	0.00	1.00	1.00	1.00

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

Office of Arts and Culture

Municipal Arts Fund Budget Control Level

The purpose of the Municipal Arts Fund Budget Control Level is to fund the Public Art Program, which develops art pieces and programs for City facilities, and the Artwork Conservation Program, which maintains the City's permanent art collection. The BCL appropriates revenues from the Municipal Arts Fund (MAF).

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Artwork Conservation	167,028	192,527	195,486	196,788
Public Art	2,948,737	3,163,493	3,195,336	3,289,860
Total	3,115,765	3,356,020	3,390,822	3,486,648
Full-time Equivalents Total*	10.75	11.75	11.75	11.75

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

The following information summarizes the programs in Municipal Arts Fund Budget Control Level:

Artwork Conservation Program

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

	2016	2017	2018	2018
Expenditures/FTE	Actuals	Adopted	Endorsed	Proposed
Artwork Conservation	167,028	192,527	195,486	196,788
Full-time Equivalents Total	1.00	1.00	1.00	1.00

Public Art Program

The purpose of the Public Art program is to integrate artists and their ideas in the design of City facilities, manage the City's portable artworks collection and incorporate art in public spaces throughout Seattle. This program is funded through the 1% 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.

	2016	2017	2018	2018
Expenditures/FTE	Actuals	Adopted	Endorsed	Proposed
Public Art	2,948,737	3,163,493	3,195,336	3,289,860
Full-time Equivalents Total	9.75	10.75	10.75	10.75

Office of Arts and Culture

Arts and Culture Fund Table

Arts Account (00140)

	2016 Actuals	2017 Adopted	2017 Revised	2018 Endorsed	2018 Proposed
Beginning Fund Balance	1,516,659	444,617	2,633,050	419,352	452,743
Accounting and Technical Adjustments	0	0	0	0	0
Plus: Actual and Estimated Revenues	8,117,945	9,406,128	9,436,128	9,096,368	10,450,191
Less: Actual and Budgeted Expenditures	7,001,554	9,431,393	11,616,435	9,085,026	10,414,886
Ending Fund Balance	2,633,050	419,352	452,743	430,694	488,048
Assigned: 2016 Encumbrances	2,125,042	0	0	0	0
Committed: Accounting Adjustments	0	0	15,938	0	15,938
Committed: Operating Reserve	407,600	419,021	419,828	429,077	430,324
Total Reserves	2,532,642	419,021	435,766	429,077	446,262
Ending Unreserved Fund Balance	100,408	331	16,977	1,617	41,786

Municipal Arts Fund (62600)

	2016 Actuals	2017 Adopted	2017 Revised	2018 Endorsed	2018 Proposed
Beginning Fund Balance	8,519,309	8,605,233	10,297,456	9,765,264	10,121,971
Accounting and Technical Adjustments	0	0	0	0	0
Plus: Actual and Estimated Revenues	4,893,912	4,516,051	3,966,376	3,558,322	3,713,856
Less: Actual and Budgeted Expenditures	3,115,765	3,356,020	4,141,861	3,390,822	3,486,648
Ending Fund Balance	10,297,456	9,765,264	10,121,971	9,932,764	10,349,179
Assigned: 2016 Encumbrances	785,841	0	0	0	0
Committed: Accounting Adjustment	0	0	60,011	0	60,011
Committed: Interfund Loan	0	0	1,000,000	0	2,800,000
Total Reserves	785,841	0	1,060,011	0	2,860,011
Ending Unreserved Fund Balance	9,511,615	9,765,264	9,061,960	9,932,764	7,489,168

Department of Parks and Recreation

Jesús Aguirre, Superintendent

(206) 684-4075

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

Department Overview

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

Department employees work hard to develop partnerships with park neighbors, volunteer groups, non-profit agencies, local businesses, and Seattle Public Schools to effectively respond to increasing requests for use of Seattle's park and recreation facilities. Perhaps the most significant partnership is with the Associated Recreation Council (ARC) which provides child care and supports recreation programs at DPR-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 DPR's staff on recreation programming at community centers and other facilities. This collaborative relationship with ARC enables the department to offer quality child care and a wide range of recreation programs to the public.

DPR's funding is a combination of tax dollars from the City's General Fund and revenue from a variety of other sources including user fees, rental charges and payments from capital funds for the time staff spend working on capital projects. Funding for new parks and facilities has historically come from voter-approved levies, grants and City real estate excise tax revenue. In 2014, Seattle voters approved the formation of a metropolitan park district. The Seattle Park District provides for a new taxing district and revenue source to fund increased parks and recreation services and capital projects.

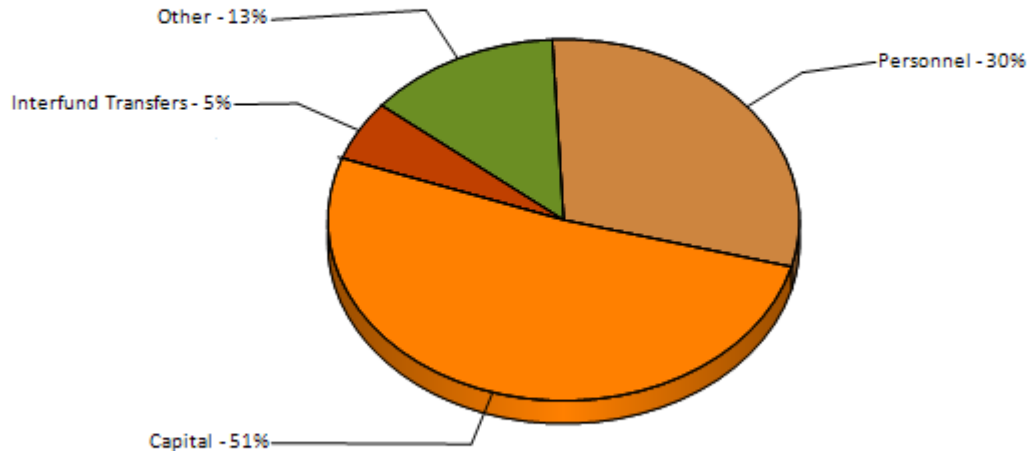
Department of Parks and Recreation

Budget Snapshot

Department Support	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
General Fund Support	\$100,368,274	\$103,265,524	\$106,794,464	\$108,438,810
Other Funding - Operating	\$53,865,122	\$59,936,165	\$61,186,511	\$61,014,385
Total Operations	\$154,233,396	\$163,201,689	\$167,980,975	\$169,453,195
Other funding - Capital	\$45,027,338	\$79,405,000	\$84,379,675	\$92,489,000
Total Appropriations	\$199,260,734	\$242,606,689	\$252,360,650	\$261,942,195
Full-time Equivalent Total*	916.68	913.01	912.51	921.74

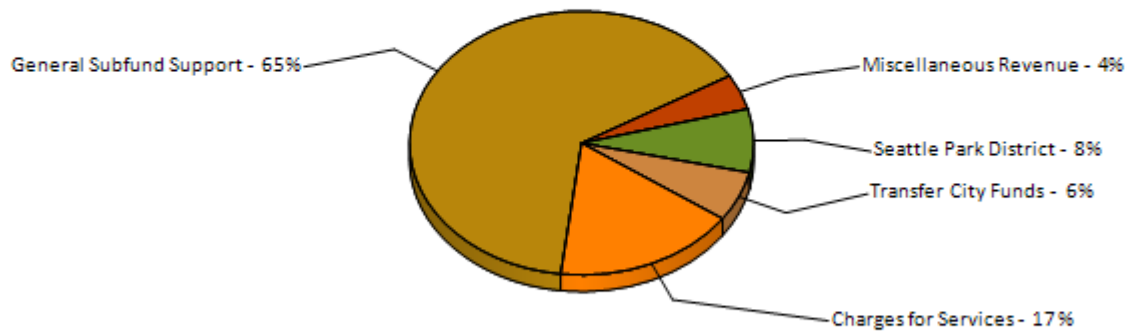
** FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.*

2018 Proposed Budget - Expenditure by Category



Department of Parks and Recreation

2018 Proposed Budget - Revenue by Category



Budget Overview

In August 2014, the voters of Seattle passed a ballot measure creating the Seattle Park District. The goal of the Park District is to provide long-term, stable funding to support recreation programming, parks projects and the critical needs for investment in major and ongoing maintenance. Park District funding has enabled the Department of Parks and Recreation (DPR) to begin addressing the major maintenance backlog it had previously incurred and allowed DPR to pursue projects that increase recreation opportunities throughout the City. Further, this funding has enabled DPR to invest in performance measurement and strategic management to increase accountability and adaptability. Since the Park District went into full effect in 2016, DPR has accomplished a range of important projects, including renovating and restoring buildings and other facilities, increasing athletic field capacity and quality, conducting preventive maintenance activities, and many others.

The 2018 Proposed Budget allocates slightly over \$2 million in support of a sustained and integrated Citywide response for individuals living unsheltered. In particular, DPR's allocations will help reduce the effect of living unsheltered on individuals and the surrounding environment. As part of this effort, DPR will reassign the department's seven-member Special Maintenance crew and three Park Ranger positions three days per week to support the Navigation Team. This budget change is a program component of a Citywide response to homelessness. Please see the 2018 Proposed Budget Executive Summary in the Introduction section of the proposed budget for more information. The proposed budget also continues funding for the use of showers at four community centers for individuals experiencing homelessness; the 2017 Adopted Budget included one-time funding to pilot this service.

The proposed budget also adds staff and funding to operate a more robust and responsive set of recreation programming at the Lake City Community Center. Since 1965, DPR has contracted with outside organizations to operate the facility. The most recent partner, the Lake City Chamber of Commerce, notified DPR that it would not

Department of Parks and Recreation

continue operating the facility after 2017. As a result, in 2018, DPR will take over running the facility and providing programming. It will be a satellite of the Meadowbrook Community Center and offer public access and programming.

The 2018 Proposed Budget also includes ongoing funding for DPR to continue the My Brother's Keeper (MBK) program based on the 2016-2017 pilot program. President Obama launched the MBK initiative to address persistent opportunity gaps faced by boys and young men of color and ensure that all young people can reach their full potential. This initiative is supported by funds from the Sweetened Beverage Tax. For additional information about the City's use of the Sweetened Beverage Tax, see the 2018 Proposed Budget Executive Summary in the Introduction section of the budget.

The proposed budget also continues DPR's work to increase access to and improve quality of Seattle's parks and facilities. In 2018, DPR will add funding for operations and maintenance at newly opened or renovated parks across Seattle, support a new community initiated off-leash area, extend hours for the Meadowbrook Pool, add two existing picnic shelters to the list of shelters that can be reserved, and fund new maintenance costs associated with the development of new parks.

DPR will also make some basic infrastructure improvements to the land banked South Park Plaza site which will allow DPR to temporarily open and activate the space (currently an empty parking lot) earlier than planned. The final development of the park will not be completed until 2020. DPR will also dedicate resources to enhance to the South Park Community Center park space to help reduce air and noise pollution impacts.

The 2018 Proposed Budget also includes several measures to reduce DPR's General Fund need, help the department provide better customer service, and operate more efficiently. The proposed budget also re-prioritizes vacant positions and reorganizes several additional positions to focus on timely operational staffing needs. The proposed budget also includes one-time funding from the 2014 King County Parks Levy to address an estimated shortfall in golf revenue.

Finally, the 2018 Capital Improvement Program (CIP) includes funding to improve the Magnuson Community Center, design and construction of new recreation spaces at Lake City Community Center, expansion at the Aquarium, and a seating and enhanced landscape area at Cal Anderson Park, in coordination with the Office of Arts & Culture, which will be in conjunction with the Seattle AIDS Legacy Memorial. In addition, the CIP includes funds to create a new off-leash area at a to-be-determined location as well as funds to design and build out space for the P-Patch Program to move from the Department of Neighborhoods to the Department of Parks and Recreation in 2019.

Budget Performance Measures

DPR participated in the Budget Performance Measures pilot. This pilot explores use of the annual budget book to discuss and display performance measures and related financial information for City departments. A more in-depth description of this pilot and its objectives can be found in the Budget Performance Measures section in the 2018 Proposed Budget introduction.

As part of this project, DPR worked with the City Budget Office to:

1. identify and present service area workload performance measures;
2. present actual and estimated achievements for each measure; and
3. present specific budgetary appropriations and position authorities associated with each measure, as appropriate.

The Budget Performance Measures section in the 2018 Proposed Budget introduction contains detailed descriptions of DPR's performance measures, including:

- Engage the community through meaningful volunteer opportunities

Department of Parks and Recreation

- Teach our community to swim
- Maintain assets for continued public use and enjoyment
- Provide a high-quality, financially sustainable golf operation
- Maintain assets for continued public use and enjoyment

Department of Parks and Recreation

Incremental Budget Changes

Department of Parks and Recreation

	2018 Budget	FTE
Total 2018 Endorsed Budget	\$ 167,980,975	912.51
Baseline Changes		
Citywide Adjustments for Standard Cost Changes	\$ 184,261	0.00
Proposed Changes		
Sustained and Integrated Citywide Response for Individuals Living Unsheltered	\$ 2,012,074	5.73
Continue Funding Use of Showers for Homeless	\$ 112,933	0.50
Fund Lake City Community Center Operations	\$ 269,999	2.75
My Brother's Keeper	\$ 153,750	0.00
Add Funding to Operate New Parks	\$ 251,417	0.00
Fund New Off-Leash Area	\$ 40,000	0.00
Additional Sunday Hours to Meadowbrook Pool	\$ 20,000	0.00
Operational Efficiencies and New Revenue Sources	-\$ 194,695	-1.75
South Park Plaza Activation	\$ 25,000	0.00
Offset General Fund with Park Fund Balance	\$ 0	0.00
Realign Park Maintenance Units	\$ 0	0.00
Facility Lead Workers	\$ 0	0.00
Skilled Trades (Shops) Changes-Signs	-\$ 22,000	0.00
Use AmeriCorps for Youth Employment Service Learning	-\$ 40,000	0.00
Reduce Funding Support to Partner Organizations	-\$ 60,000	0.00
Community Engagement	\$ 0	1.00
Golf Operations Support	-\$ 1,102,135	0.00
Park District Related Changes	-\$ 440,879	0.00
Proposed Technical Changes		
Technical Adjustments	\$ 262,495	1.00
Total Incremental Changes	\$ 1,472,220	9.23
2018 Proposed Budget	\$ 169,453,195	921.74

Department of Parks and Recreation

Descriptions of Incremental Budget Changes

Baseline Changes

Citywide Adjustments for Standard Cost Changes - \$184,261

Citywide technical adjustments made in the baseline phase reflect changes to internal services costs, health care, and industrial insurance charges for the department. These adjustments reflect initial assumptions about these costs and inflators early in the budget process.

Proposed Changes

Sustained and Integrated Citywide Response for Individuals Living Unsheltered - \$2,012,074/5.73 FTE

To address concerns from human service advocates and individuals experiencing homelessness, business districts, and neighborhoods, the City convened the Task Force on Unsanctioned Encampment Protocols in late 2016 to evaluate the City's response to the growing number of individuals living unsheltered. The task force made a series of recommendations to modify how departments engage with individuals living in encampments. In February 2017, the City opened the Emergency Operations Center and convened City departments to speed implementation of these recommendations and create a focused, integrated and sustainable Citywide response. The 2018 Proposed Budget provides funding for this response in several City departments, focused around three key areas:

1. creating safer places for individuals living unsheltered;
2. connecting individuals living unsheltered with services; and
3. reducing the impact of living unsheltered on individuals and the surrounding environment.

As part of this coordinated response, the budget adds resources to DPR for a dedicated, consistent response that will be part of a unified citywide structure to address public safety and public health risks for the community and to minimize safety risks for individuals living in encampments. This adjustment adds \$578,000 of ongoing funds for site remediation including increasing part-time Laborer and Truck Driver positions to fulltime; a full-time Radio Dispatcher; a Health and Safety Specialist; and a Manager 2 to oversee these efforts and coordinate with the Navigation Team. This adjustment also includes ongoing funds of \$277,000 for supply, safety and equipment costs and \$452,000 for disposal fees. One-time funding of \$704,000 is included to purchase dump trucks, a track hoe, utility vehicles, and a crew cab. In addition, as part of this effort, DPR will reassign the department's 7-member Special Maintenance crew and three Park Ranger positions three days per week to support the Navigation Team.

Additional funding in the 2018 Proposed Budget related to this Citywide response is part of a single program implemented by multiple departments. For additional information, see the 2018 Proposed Budget Executive Summary in the Introduction section of this proposed budget.

Continue Funding Use of Showers for Homeless - \$112,933/.50 FTE

This item continues funding to provide restroom and shower facilities at designated community centers free-of-charge for people experiencing homelessness. The 2017 Adopted Budget included one-time funding to pilot a free shower program at four community centers. This item provides ongoing funding for the program and includes funding for a temporary recreation leader and a part-time custodian position as well as operating supplies.

Department of Parks and Recreation

Fund Lake City Community Center Operations - \$269,999/2.75 FTE

This item adds \$229,299 in funding for new staffing including a Recreation Program Specialist; Recreation Leader; Recreation Attendant to lead customer service, front-desk operations, and rentals; Utility Laborer to provide custodial services; and \$40,700 in non-personnel expenses to allow DPR to operate a more robust and responsive set of recreation programming at the Lake City Community Center. Since 1965, DPR has contracted with outside organizations to operate the facility. The most recent partner, the Lake City Chamber of Commerce, notified DPR that it would not continue operating the facility after 2017. As a result, DPR will take over running the facility and providing programming. It will be a satellite of the Meadowbrook Community Center and will provide approximately 25 hours of access and programming a week.

My Brother's Keeper - \$153,750

President Obama launched the My Brother's Keeper (MBK) initiative to address persistent opportunity gaps faced by boys and young men of color and ensure that all young people can reach their full potential. The 2017 Adopted Budget provided one-time funds to support a pilot of this program which, during the 2016-17 school year, served 150 youth at five community learning centers (Aki Kurose, Denny, Mercer, McClure, and Washington). This item provides ongoing funding for this program; it is supported by funds from the Sweetened Beverage Tax. For additional information about the City's use of the Sweetened Beverage Tax ([Ordinance 125324](#)), see the 2018 Proposed Budget Executive Summary in the Introduction section of the budget.

Add Funding to Operate New Parks - \$251,417

This adjustment adds funding for operations and maintenance at newly-opened or renovated parks. These new parks include Bhy Kracke Park, Ernst Park, Greenwood Park, Julia Lee Park, Kiwanis Ravine, Marra Desimone Park, and the new trails at the Washington Park Arboretum.

Fund New Off-Leash Area - \$40,000

This item funds the on-going maintenance and potential lease costs for a new off-leash area anticipated to open in 2018. The CIP has \$100,000 of one-time REET to create a new off-leash area at a to-be-determined location. The People, Dogs & Parks Plan published by DPR in 2017 lays out the process through which a community can petition DPR for a new off-leash area. It is anticipated that one or more communities is interested in petitioning DPR, and these funds are being set aside to support one of those efforts.

Additional Sunday Hours to Meadowbrook Pool - \$20,000

This item adds an anticipated \$25,000 in new revenue from fee-based programs and \$20,000 in expenses for temporary staff to add a seventh day of operation to the Meadowbrook Pool. The additional Sunday hours will allow DPR to meet unmet demand for swim lessons and provide additional swimming opportunities for the community. The Sunday swim lessons will be pre-registered to ensure lesson fees cover the cost for the additional temporary salaries. The additional net revenue will reduce DPR's General Fund needs and is reflected on the revenue side of the budget.

Department of Parks and Recreation

Operational Efficiencies and New Revenue Sources - (\$194,695)/(1.75) FTE

This item includes several relatively small operational efficiencies and new revenues that reduces DPR's General Fund need. Each year, as part of its internal budget process, DPR calls on its staff to develop ideas and proposals that will help the department provide better customer service and operate more efficiently. This item includes the following: consolidates shelter house scheduling into one division; recognizes non-personnel budget savings in the Regional Parks and Strategic Outreach division; consolidates recycling and compost services at Magnuson Park; removes appropriation no longer needed to support employees previously-transitioned to the Seattle Aquarium; recognizes staff reductions for Seattle Public Schools field scheduling that is no longer necessary; recognizes revenues generated from two new picnic shelters; and increases the revenue expectation from the capital budget for use of operating personnel support in the Facilities Division. The additional net revenues from these changes will reduce DPR's General Fund needs and are reflected on the revenue side of the budget.

South Park Plaza Activation - \$25,000

The Duwamish Action Team worked with DPR to recommend early activation of a South Park land-banked site. This funding will provide temporary recreation staffing support and grounds maintenance to help activate the site. In addition, DPR will add some basic infrastructure improvements (before the park is fully-developed in 2020) to open and activate the space and create a sense of place in this neighborhood and support community gatherings. The one-time infrastructure adds will be paid for by the Park District; there is a corresponding change in the CIP. Please see the Duwamish Valley Program description in the Office of Sustainability and Environment Budget Overview for additional information on this work.

Offset General Fund with Park Fund Balance

DPR has a history of efficiently managing costs and has been able to accumulate fund balance. In 2018, DPR will use \$570,000 of fund balance to reduce its reliance on the General Fund. This \$570,000 in one-time savings is in addition to the assumed \$800,000 savings in the 2018 Endorsed Budget. This use of one-time fund balance will reduce DPR's General Fund needs and is reflected on the revenue side of the budget.

Realign Park Maintenance Units

This budget-neutral item realigns park maintenance crews to reflect a revised management approach. Specific changes include reconfiguring general custodial maintenance duties at developed parks from nine geographic areas to six, creating a new crew to perform and oversee evening and weekend custodial duties, and establishing a special maintenance crew to support those teams by performing certain maintenance activities regularly or seasonally (e.g. ballfield, wading pool and spray park preparation in the spring). One Crew Chief position will be reallocated to oversee best management practice updates and training, the park inspection program, graffiti abatement, and interagency maintenance projects. Finally, two vacant Park Ranger positions (1.5 FTE) will be reallocated to Radio Dispatcher positions to work with crews in fully implementing the Asset Management/Work Order System through the creation and updating of work orders and performing quality assurance on time entry.

Facility Lead Workers

This budget-neutral item increases two part-time Facility Lead Worker positions to full-time to create supervisory capacity for the custodial and maintenance crews. The increase will support efficient coordination of facility

Department of Parks and Recreation

maintenance resources and services. This item is funded by a reduction in temporary labor and the elimination of a vacant Maintenance Laborer position.

Skilled Trades (Shops) Changes-Signs - (\$22,000)

This item reflects the transition from in-house production of signs to using outside vendors with the intention of seeking women- and minority-owned businesses for future sign needs or using other City departments with this function such as SDOT. This change will reduce General Fund needs by shifting out of this line of business and reassigning the one related staff position to other painter duties.

Use AmeriCorps for Youth Employment Service Learning - (\$40,000)

This item reflects \$40,000 in General Fund savings by hiring AmeriCorps members in lieu of temporary recreation staff to lead the Youth Employment and Service Learning (YESL) program. The YESL program provides youth employment opportunities and pre-employment training for nearly 200 youth annually. Currently, the unit hires several temporary staff to support YESL, which are roughly three times as expensive as an AmeriCorps service member. Replacing temporary recreation staff with four AmeriCorps members will allow DPR to save costs while retaining a staffing ratio that will ensure program safety and quality.

Reduce Funding Support to Partner Organizations - (\$60,000)

This item reduces \$60,000 in General Fund support provided to the Seattle Parks Foundation. This on-going reduction eliminates all direct City operating support to the Foundation as the Foundation now has the resources to be self-sufficient.

Community Engagement - 1.00 FTE

This budget-neutral item reclassifies an existing Executive II position to a lower level Strategic Advisor I and then uses the salary savings to fund the addition of a new Administrative Specialist. The Strategic Advisor position will support community engagement and outreach efforts as part of the Superintendent's Communication team. The administrative position will serve as the primary web content manager to ensure high-traffic webpages are updated. The DPR website had over 5 million visitors in 2016, and is expecting to have closer to 6 million visitors in 2017 after redesigning the website in mid-2016. As one of the most highly-used department websites, this is an important role currently missing in DPR.

Golf Operations Support - (\$1,102,135)

This item addresses the estimated shortfall in golf revenues in 2018 of approximately \$900,000 by using unappropriated 2014 King County Parks Levy funding. This adjustment also includes about \$155,000 of technical changes done annually to adjust the golf budget to match updated projections. To address longer term financial issues with golf, the department is proposing to hire a consultant in late 2017 to undertake a comprehensive review of the program. The goal is to develop options to close the structural shortfall starting in 2019. These options, which could require difficult policy decisions and significant changes to the golf program, will be discussed as part of the 2019-2020 budget process.

Department of Parks and Recreation

Park District Related Changes - (\$440,879)

This item adjusts funding in DPR's operating budget to align with changes related to the proposed 2018 Park District budget. The Park District financial plan assumed that six of the 14 landbank sites would come online in 2018. However, only two of these sites will open in 2018: Greenwood and Lake City. The remaining four sites (Fremont, North Rainier, Greenwood Park addition, and Smith Cove) will open in 2019. As a result, this adjustment transfers funds for the operation of these four parks to the capital side of the budget where it will help offset increased park development construction costs.

Proposed Technical Changes

Technical Adjustments - \$262,495/1.00 FTE

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

- Combines performance, policy, and business intelligence staff with the finance team.
- Properly aligns the facilities maintenance division director and shifts custodians from individual community centers to this new division director with an increased focus on preventive maintenance.
- Better aligns environmental learning centers.
- Cleans up negative budget amounts in aquatics that cross account categories.
- Cleans up revenues and expenditure categories to reflect new Out of School Time contracts.
- Transfers funds from Seattle IT to support telephone coordination.

Department of Parks and Recreation

Expenditure Overview

Appropriations	Summit Code	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Environmental Learning and Programs Budget Control Level	K430A	1,149,783	1,253,577	1,289,938	1,188,626
Facility and Structure Maintenance Budget Control Level	K320A	17,568,990	17,702,836	18,156,585	20,882,648
Finance and Administration Budget Control Level	K390A	11,049,482	16,728,051	17,812,510	18,359,773
Golf Budget Control Level	K400A	11,667,533	12,112,505	12,350,011	11,302,982
Judgment and Claims Budget Control Level	K380A	710,693	667,792	579,733	579,733
Natural Resources Management Budget Control Level	K430B	9,506,251	9,527,985	9,791,809	9,691,652
Park Cleaning, Landscaping, and Restoration Budget Control Level	K320B	32,176,942	34,338,013	35,641,545	39,179,884
Planning, Development, and Acquisition Budget Control Level	K370C	7,619,049	7,574,518	7,770,800	7,934,884
Policy Direction and Leadership Budget Control Level	K390B	4,714,238	4,796,567	4,928,627	3,801,515
Recreation Facilities and Programs Budget Control Level	K310D	29,098,908	30,184,520	30,798,678	28,577,761
Regional Parks and Strategic Outreach Budget Control Level	K440A	5,762,081	6,479,638	6,608,472	7,195,496
Seattle Aquarium Budget Control Level	K350A	1,079,482	0	0	0
Seattle Conservation Corps Budget Control Level	K320C	4,974,927	4,708,169	4,829,724	4,830,835
Swimming, Boating, and Aquatics Budget Control Level	K310C	10,250,954	10,039,609	10,329,530	8,834,393
Woodland Park Zoo Budget Control Level	K350B	6,904,084	7,087,909	7,093,013	7,093,013
Department Total		154,233,396	163,201,689	167,980,975	169,453,195
Department Full-time Equivalent Total*		916.68	913.01	912.51	921.74

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

Department of Parks and Recreation

Revenue Overview

2018 Estimated Revenues

Summit Code	Source	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
441710	Sales of Merchandise	247,130	27,284	27,284	27,284
441990	Miscellaneous Charges and Fees	325,139	26,500	26,500	16,500
443870	Resource Recover Revenues	2,911,430	3,257,041	3,157,190	3,409,885
447300	Recreational Activity Fees	10,805,232	12,831,946	13,081,941	11,979,817
447350	Recreation Shared Revenues - ARC	591,430	851,605	851,605	851,605
447450	Recreation admission fees	2,504,617	2,083,858	2,055,170	2,083,858
447500	Exhibit Admission Fees	9,633	378,972	378,972	378,972
447550	Athletic Facility Fees	2,888,118	3,252,568	3,818,568	3,718,043
447600	Program Fees	3,798,335	3,928,819	3,928,818	3,953,819
462300	Parking Fees	47,895	68,892	68,892	68,892
469990	Miscellaneous Revenue	159,757	777,225	888,297	889,387
543970	Charges to Other City Departments	1,528,018	338,986	338,986	1,575,670
569990	Miscellaneous Revenue	103,337	0	0	0
	Total Charges for Services	25,920,071	27,823,696	28,622,223	28,953,732
587001	General Subfund Support	100,368,274	103,265,523	106,794,464	108,438,809
	Total General Subfund Support	100,368,274	103,265,523	106,794,464	108,438,809
431010	Federal Grants - Direct	379,431	0	0	0
434010	State Grants	60,091	0	0	0
439090	Private Contributions	110,987	452,400	452,400	452,400
462400	ST Space Facilities Rentals	5,412,188	4,400,074	4,565,762	4,420,943
462500	LT Space/Facilities Leases	1,087,414	1,345,441	1,345,441	1,460,441
462800	Concession Proceeds	39,007	80,000	80,000	80,000
462900	Rents and Use Charges	522,304	547,629	547,629	542,629
469100	Salvage Sales	3,649	0	0	0
469400	Judgments & Settlements	27,237	0	0	0
469400	Telephone Commission Revenue	0	1,300	1,300	1,300
562500	Interfund Building/Other Space Rental	92,000	72,000	72,000	72,000
562900	Interfund Other Rent and Use	267,330	255,000	255,000	255,000
	Total Miscellaneous Revenue	8,001,638	7,153,844	7,319,532	7,284,713
587900	Seattle Parks District	12,019,206	12,677,148	13,545,210	13,104,334
	Total Seattle Park District	12,019,206	12,677,148	13,545,210	13,104,334
587900	Transfers from CRS & Parks Levy	10,258,687	10,881,478	10,899,544	10,301,607
	Total Transfer City Funds	10,258,687	10,881,478	10,899,544	10,301,607

Department of Parks and Recreation

Total Revenues		156,567,876	161,801,689	167,180,973	168,083,195
379100	Use of Fund Balance	-2,334,480	1,400,000	800,002	1,370,000
Total Use of Fund Balance		-2,334,480	1,400,000	800,002	1,370,000
Total Resources		154,233,396	163,201,689	167,980,975	169,453,195

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.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Environmental Learning and Programs	1,149,783	1,253,577	1,289,938	1,188,626
Total	1,149,783	1,253,577	1,289,938	1,188,626
Full-time Equivalents Total*	11.10	11.85	11.85	10.85

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

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.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Facility and Structure Maintenance	17,568,990	17,702,836	18,156,585	20,882,648
Total	17,568,990	17,702,836	18,156,585	20,882,648
Full-time Equivalents Total*	127.30	123.80	123.80	156.50

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

Department of Parks and Recreation

Finance and Administration Budget Control Level

The purpose of the Finance and Administration Budget Control Level is to provide the financial, technological, and business development support for the Department.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Finance and Administration	11,049,482	16,728,051	17,812,510	18,359,773
Total	11,049,482	16,728,051	17,812,510	18,359,773
Full-time Equivalents Total*	44.00	33.50	33.50	44.75

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

Golf Budget Control Level

The purpose of the Golf Budget Control Level is to 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.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Golf	11,667,533	12,112,505	12,350,011	11,302,982
Total	11,667,533	12,112,505	12,350,011	11,302,982
Full-time Equivalents Total*	24.00	24.00	24.00	24.00

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

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.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Judgment and Claims	710,693	667,792	579,733	579,733
Total	710,693	667,792	579,733	579,733

Department of Parks and Recreation

Natural Resources Management Budget Control Level

The purpose of the Natural Resources Management Budget Control Level is to provide 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.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Natural Resources Management	9,506,251	9,527,985	9,791,809	9,691,652
Total	9,506,251	9,527,985	9,791,809	9,691,652
Full-time Equivalents Total*	74.24	75.24	75.24	74.24

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

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.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Park Cleaning, Landscaping, and Restoration	32,176,942	34,338,013	35,641,545	39,179,884
Total	32,176,942	34,338,013	35,641,545	39,179,884
Full-time Equivalents Total*	243.77	243.10	243.10	256.63

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

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.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Planning, Development, and Acquisition	7,619,049	7,574,518	7,770,800	7,934,884
Total	7,619,049	7,574,518	7,770,800	7,934,884
Full-time Equivalents Total*	48.85	47.35	47.35	48.35

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

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 have the goal of enabling 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.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Policy Direction and Leadership	4,714,238	4,796,567	4,928,627	3,801,515
Total	4,714,238	4,796,567	4,928,627	3,801,515
Full-time Equivalents Total*	31.50	32.50	32.50	27.75

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

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.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Recreation Facilities and Programs	29,098,908	30,184,520	30,798,678	28,577,761
Total	29,098,908	30,184,520	30,798,678	28,577,761
Full-time Equivalents Total*	208.82	218.57	218.07	185.82

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

Regional Parks and Strategic Outreach Budget Control Level

The purpose of the Regional Parks and Strategic Outreach Division Budget Control Level (BCL) is to provide centralized management for Seattle Parks and Recreation's regional parks such as Magnuson, Discovery, Gas Works, Lincoln, Seward, Green Lake, Alki, and Myrtle Edwards and major partners such as the golf program operator, Woodland Park Zoological Society, Seattle Aquarium Society, Seattle Public Schools, Friends of the Waterfront, and the Olympic Sculpture Park.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Regional Parks and Strategic Outreach	5,762,081	6,479,638	6,608,472	7,195,496
Total	5,762,081	6,479,638	6,608,472	7,195,496
Full-time Equivalents Total*	23.50	23.50	23.50	25.75

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

Department of Parks and Recreation

Seattle Aquarium Budget Control Level

The purpose of the Seattle Aquarium Budget Control Level is to provide exhibits and environmental educational opportunities with the goal of expanding knowledge of, inspiring interest in, and encouraging stewardship of the aquatic wildlife and habitats of Puget Sound and the Pacific Northwest.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Seattle Aquarium	1,079,482	0	0	0
Total	1,079,482	0	0	0

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 with the goal that they acquire skills and experience leading to long-term employment and stability.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Seattle Conservation Corps	4,974,927	4,708,169	4,829,724	4,830,835
Total	4,974,927	4,708,169	4,829,724	4,830,835
Full-time Equivalents Total*	19.05	19.05	19.05	19.05

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

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.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Swimming, Boating, and Aquatics	10,250,954	10,039,609	10,329,530	8,834,393
Total	10,250,954	10,039,609	10,329,530	8,834,393
Full-time Equivalents Total*	60.55	60.55	60.55	48.05

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

Department of Parks and Recreation

Woodland Park Zoo Budget Control Level

The purpose of the Woodland Park Zoo Budget Control Level is to provide funds to contract with the non-profit Woodland Park Zoological Society to operate and manage the Woodland Park Zoo. This BCL includes the City's support for Zoo operations. The purpose of the Zoo is to provide care for animals and offer exhibits, educational programs, and visitor amenities so Seattle residents and visitors have the opportunity to enjoy and learn about animals and wildlife conservation.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Woodland Park Zoo	6,904,084	7,087,909	7,093,013	7,093,013
Total	6,904,084	7,087,909	7,093,013	7,093,013

Department of Parks and Recreation

Park and Recreation Fund (10200)

	2016 Actuals	2017 Adopted	2017 Revised	2018 Endorsed	2018 Proposed
Beginning Fund Balance	5,279,434	3,383,822	7,613,914	1,984,278	6,348,643
Accounting and Technical Adjustments		0	(505,000)	0	0
Plus: Actual and Estimated Revenues	156,567,876	161,801,689	163,073,729	167,180,973	168,083,195
Less: Actual and Budgeted Expenditures	154,233,396	163,201,689	163,835,000	167,980,975	169,453,195
Ending Fund Balance	7,613,914	1,983,822	6,347,643	1,184,276	4,978,643
Ongoing Reserves	2,859,000	1,449,000	2,019,000	639,000	639,000
Planning Reserve	1,574,000		1,931,000	0	1,000,000
Total Reserves	4,433,000	1,449,000	3,950,000	639,000	1,639,000
Ending Unreserved Fund Balance	3,180,914	534,822	2,397,643	545,276	3,339,643

Department of Parks and Recreation

Capital Improvement Program Highlights

The 2018 Capital Improvement Program (CIP) reflects a wide range of projects. The primary funding source is the Park District which provides \$39.6 million for capital projects in 2018. Additionally, the Cumulative Reserve Subfund (CRS) provides approximately \$44.6 million, through a combination of \$40.9 million in REET I and REET II, and \$3.7 million in CRS-Unrestricted. The majority of the remaining \$7.9 million in the CIP comes from a federal Community Development Block Grant (CDBG), the Central Waterfront Improvement Fund, the Alaskan Way Seawall Construction Fund, and King County.

DPR's 2018 CIP maintains a strong commitment to asset preservation. As such, the projects funded by REET are prioritized consistent with DPR's Asset Management Plan. Ongoing major maintenance projects address basic infrastructure needs across the system, such as environmental remediation, landscape and forest restoration, irrigation system repair, pavement restoration, and replacing major roof and HVAC systems. The 2018 CIP also provides REET for capital maintenance at the Seattle Asian Art Museum (\$5 million), Parks Central Waterfront Piers Rehabilitation (\$10.15 million), Victor Steinbrueck Park (\$3 million), Loyal Heights Community Center (\$1.7 million), and the Loyal Heights Playfield (\$2.4 million).

REET funding will also be used to support improvements at the Magnuson Community Center (\$1.15 million), design and partial construction of new recreation spaces at Lake City Community Center (\$3 million), expansion at the Aquarium (\$2.4 million), and a seating/enhanced landscape area at Cal Anderson Park in coordination with the Office of Arts & Culture (\$200,000) which will be part of the Seattle AIDS Legacy Memorial. DPR will also use \$100,000 of REET for enhancements to the South Park Community Center park space to help reduce air and noise pollution impacts; this funding is in addition to the already approved \$700,000 for the play area renovation. Finally, \$150,000 of REET will be used to design and build out space for the P-Patch Program to move from the Department of Neighborhoods to Parks and Recreation.

The Park District capital funding levels for 2018 total \$39.6 million. Significant Park District investments for 2018 include:

- working to address the major maintenance backlog (\$18.8 million);
- community center rehabilitation projects (\$3.5 million);
- making progress on the Green Seattle Partnership goal of restoring 2,500 acres of urban forestland by 2025 (\$2.3 million); and
- developing new parks at land-banked sites (\$4.8 million). This includes a transfer of \$440,000 of Park District funds from the operating budget to the CIP in recognition that four of the land bank parks that were planned to open in 2018 will instead open in 2019. As a result, less funding is needed for park maintenance and can be used to address increased construction costs.

DPR will also use \$110,000 of Park District funds to make some basic infrastructure improvements to the land banked South Park Plaza site which will allow DPR to temporarily open and activate the space (currently an empty parking lot) earlier than planned. The final development of the park will not be completed until 2020. Please see the Duwamish Valley Program description in the Office of Sustainability and Environment Budget Overview for additional information on this work.

DPR will continue to use CDBG funds for the Seattle Conservation Corps in 2018. The Seattle Conservation Corps (SCC) executes park improvement projects in low- to moderate-income neighborhoods while at the same time providing training and employment for formerly homeless adults. In 2018, \$808,000 will be used to fund the SCC to improve parks through the Parks Upgrade Program.

Department of Parks and Recreation

Capital Improvement Program Appropriation

Budget Control Level	2018 Endorsed	2018 Proposed
2008 Parks Levy- Cultural Facilities: K720021		
Cumulative Reserve Subfund - REET I Subaccount (00163)	3,250,000	5,000,000
Cumulative Reserve Subfund - REET II Subaccount (00161)	1,750,000	0
Subtotal	5,000,000	5,000,000
 Ballfields/Athletic Courts/Play Areas: K72445		
2013 King County Parks Levy	1,000,000	1,000,000
Cumulative Reserve Subfund - REET II Subaccount (00161)	4,751,000	4,751,000
Cumulative Reserve Subfund - Unrestricted Subaccount (00164)	300,000	300,000
Subtotal	6,051,000	6,051,000
 Building Component Renovations: K72444		
2013 King County Parks Levy	660,000	660,000
Cumulative Reserve Subfund - REET I Subaccount (00163)	0	1,350,000
Cumulative Reserve Subfund - REET II Subaccount (00161)	2,596,000	2,596,000
Cumulative Reserve Subfund - Unrestricted Subaccount (00164)	140,000	140,000
Subtotal	3,396,000	4,746,000
 Building For The Future - CIP: K720302		
Cumulative Reserve Subfund - Unrestricted Subaccount (00164)	1,500,000	1,500,000
Parks Capital Fund	11,600,000	12,040,000
Subtotal	13,100,000	13,540,000
 Citywide and Neighborhood Projects: K72449		
Cumulative Reserve Subfund - REET I Subaccount (00163)	200,000	400,000
Cumulative Reserve Subfund - REET II Subaccount (00161)	1,030,000	1,120,000
Subtotal	1,230,000	1,520,000
 Debt and Special Funding: K72440		
2013 King County Parks Levy	0	892,000
Subtotal	0	892,000
 Debt Service and Contract Obligation: K72440		
Cumulative Reserve Subfund - REET I Subaccount (00163)	795,000	785,000
Cumulative Reserve Subfund - REET II Subaccount (00161)	2,333,000	2,333,000
Cumulative Reserve Subfund - Unrestricted Subaccount (00164)	275,000	175,000

Department of Parks and Recreation

Subtotal	3,403,000	3,293,000
Docks/Piers/Floats/Seawalls/Shorelines: K72447		
Alaskan Way Seawall Construction Fund	1,850,000	1,850,000
Beach Maintenance Trust Fund	25,000	25,000
Central Waterfront Improvement Fund	2,700,000	2,700,000
Cumulative Reserve Subfund - REET II Subaccount (00161)	12,520,000	12,520,000
Cumulative Reserve Subfund - Unrestricted Subaccount (00164)	450,000	450,000
Subtotal	17,545,000	17,545,000
Fix It First - CIP: K720300		
Cumulative Reserve Subfund - REET II Subaccount (00161)	0	4,150,000
Cumulative Reserve Subfund - Unrestricted Subaccount (00164)	0	1,000,000
Parks Capital Fund	27,639,675	27,637,000
Subtotal	27,639,675	32,787,000
Forest Restoration: K72442		
Cumulative Reserve Subfund - REET II Subaccount (00161)	1,995,000	1,995,000
Cumulative Reserve Subfund - Unrestricted Subaccount (00164)	90,000	90,000
Subtotal	2,085,000	2,085,000
Maintaining Parks and Facilities - CIP: K720301		
Cumulative Reserve Subfund - REET II Subaccount (00161)	0	100,000
Parks Capital Fund	322,000	322,000
Subtotal	322,000	422,000
Parks Infrastructure: K72441		
Community Development Block Grant	808,000	808,000
Cumulative Reserve Subfund - REET II Subaccount (00161)	3,800,000	3,800,000
Subtotal	4,608,000	4,608,000
Total Capital Improvement Program Appropriation	84,379,675	92,489,000

Seattle Center

Robert Nellams, Director

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

Department Overview

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

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

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

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

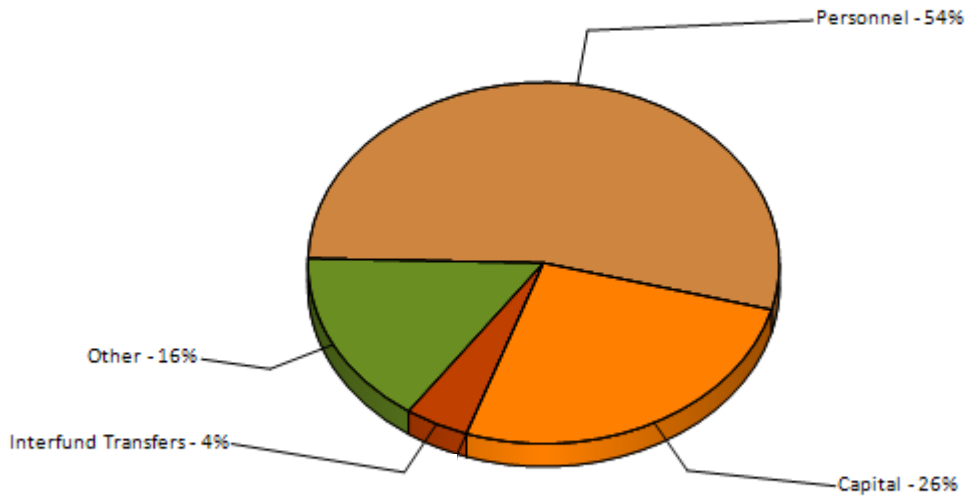
Seattle Center

Budget Snapshot

Department Support	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
General Fund Support	\$14,209,672	\$13,044,011	\$13,226,457	\$12,981,851
Other Funding - Operating	\$28,938,671	\$29,830,742	\$30,729,923	\$31,793,437
Total Operations	\$43,148,343	\$42,874,753	\$43,956,380	\$44,775,288
Other funding - Capital	\$4,405,387	\$13,073,000	\$7,340,000	\$8,490,000
Total Appropriations	\$47,553,730	\$55,947,753	\$51,296,380	\$53,265,288
Full-time Equivalent Total*	241.13	241.73	241.73	242.73

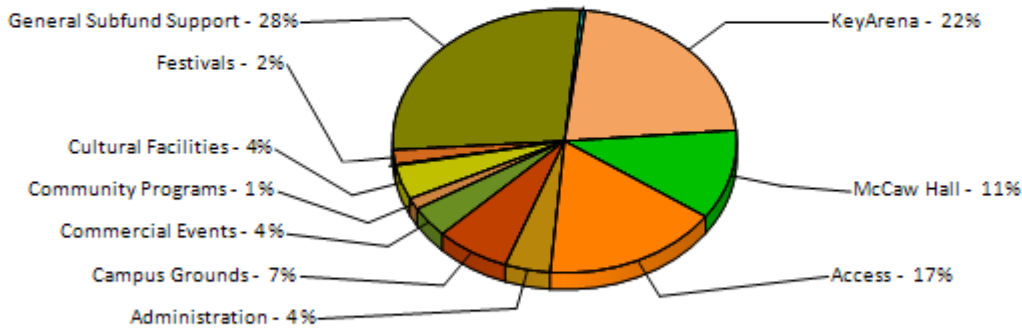
* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

2018 Proposed Budget - Expenditure by Category



Seattle Center

2018 Proposed Budget - Revenue by Category



Budget Overview

Seattle Center has demonstrated financial success in recent years. Following the departure of the NBA's Seattle SuperSonics in 2008, the department has operated KeyArena profitably for seven consecutive years. McCaw Hall has not experienced an operating deficit in the 13 years since its opening. The department's financial success allowed Seattle Center to add capacity in the 2017 Adopted Budget necessary to staff its growing lines of business. As the local economy has improved in recent years, Center has seen revenue increases across the campus including KeyArena, McCall Hall, and the Armory. Parking revenues have also increased in recent years and it is anticipated they will continue to improve due to the market for parking access in the area surrounding the Seattle Center campus and proposed parking rate increases for 2017 and 2018.

Seattle Center has managed a robust event schedule and increased demand for its merchants and food vendors. With this revenue growth, Seattle Center reduced its reliance on the General Fund. In 2018, Seattle Center anticipates additional revenue increases that will further reduce its General Fund reliance from previously anticipated levels, including increased lease, sponsorship, and ticket revenues.

Major changes lie ahead for a KeyArena. Seattle Center issued a request for proposals to redevelop the facility. The City has chosen a preferred proposal and is currently in negotiations with the Oak View Group. Should negotiations prove successful, KeyArena will be turned into a facility ready to host both an NBA as well as an NHL team. In anticipation of financial impacts associated with KeyArena redevelopment, Center is maintaining an unreserved fund balance of \$2.5 million to mitigate potential short-term revenue losses if KeyArena is closed for renovation.

Center's Capital Improvement Program (CIP) includes one-time funding to begin integration of the Monorail with the ORCA card system. More than 2 million people ride the monorail annually. A study of Monorail ridership

Seattle Center

found that by bringing ORCA to the Monorail, ridership will increase between 7 to 16% over the first three years of implementation due to the increased convenience of taking the Monorail to access Seattle Center and the Uptown neighborhood. The funding in the CIP will support ORCA software revisions, hardware acquisition and installation and project management.

To maintain service levels across the campus and reflect potential for major redevelopments at Seattle Center, the focus of Seattle Center’s 2018 Proposed Budget changes includes infrastructure support at KeyArena and continuation of a new master planning effort for the campus. The proposed budget also adds a new position to support the ongoing effort to update the Seattle Center Century 21 Master Plan as well as a position to support the Seattle King County Clinic. Finally, the proposed budget includes funding for an annual payment to the Seattle Storm as part of their contract through the 2028 season.

Incremental Budget Changes

Seattle Center

	2018	
	Budget	FTE
Total 2018 Endorsed Budget	\$ 43,956,380	241.73
Baseline Changes		
Citywide Adjustments for Standard Cost Changes	\$ 37,489	0.00
Supplemental Budget Changes	\$ 106,419	1.00
Technical Adjustments	\$ 0	0.00
Abrogate Unfunded Positions	\$ 0	-1.00
Proposed Changes		
Revenue Increases	\$ 0	0.00
Seattle Storm Contract	\$ 100,000	0.00
KeyArena Infrastructure Support	\$ 75,000	0.00
Master Plan Development	\$ 500,000	1.00
Total Incremental Changes	\$ 818,908	1.00
2018 Proposed Budget	\$ 44,775,288	242.73

Seattle Center

Descriptions of Incremental Budget Changes

Baseline Changes

Citywide Adjustments for Standard Cost Changes - \$37,489

Citywide technical adjustments made in the baseline phase reflect changes to internal services costs, health care, and industrial insurance charges for the department. These adjustments reflect initial assumptions about these costs and inflators early in the budget process.

Supplemental Budget Changes - \$106,419/1.00 FTE

This adjustment reflects changes made through supplemental budget legislation since the last adopted budget. Supplemental budget legislation is developed by the Executive and adopted by the City Council four times a year to provide for corrections to the adopted budget, unforeseen changes in circumstance, new funding opportunities or new policy priorities. These changes may include additions or reductions in appropriations and FTEs. The 2017 1st Quarter Supplemental Budget Ordinance added a Program Specialist position to support the Seattle King County Clinic; the position is paid for with existing funds. This position will sunset at the end of 2019.

Proposed Changes

Revenue Increases

This item accounts for \$250,000 in projected net new lease, sponsorship, and ticketing revenues that will decrease reliance on the General Fund. Of this projected revenue, \$150,000 comes from an anticipated increase in lease revenues from Chihuly Gardens not previously captured in the 2018 Endorsed Budget. Additionally, Seattle Center anticipates an additional \$50,000 in revenue from campus sponsorships in 2018. General campus sponsorship revenue has increased steadily from approximately \$300,000 in 2013 to \$510,000 in 2016, and the trend is expected to continue. Last, Seattle Center projects a \$50,000 increase in ticketing revenue as a result of a renegotiated contract with Ticketmaster. Informed by growth in events, ticket sales, and ticketing revenue at KeyArena, Seattle Center anticipates the newly negotiated contract will increase revenues \$50,000 above the amount projected in the 2018 Endorsed Budget. The revenue side of the budget reflects this shift from General Fund to these other revenues.

Seattle Storm Contract - \$100,000

This item provides \$100,000 in annual payments to the Seattle Storm as part of their new contract with KeyArena through the 2028 season. The annual payment is compensation for the Storm's forgone ability to enter long-term revenue generating agreements, such as advertising and sponsorship because of the possible redevelopment of KeyArena. Seattle Center will use existing KeyArena revenue to fund this appropriation.

KeyArena Infrastructure Support - \$75,000

This item supports KeyArena operations including IT support, broadcasting, infrastructure, and technical expertise. The increasingly sophisticated technological requirements by teams and broadcasters occasionally requires third-party support and expertise currently not available with in-house staff. This support is required as part of the new contract with the Seattle Storm. Seattle Center will use existing KeyArena revenue to cover these costs.

Seattle Center

Master Plan Development - \$500,000/1.00 FTE

This item provides appropriation authority for additional spending on an update to Seattle Center's Master Plan. Seattle Center will use fund balance for this item which adds an additional \$500,000 to the funds already budgeted for 2018. With the potential redevelopment of KeyArena, Memorial Stadium, and other areas on and adjacent to Seattle Center property, a new master planning effort is appropriate to ensure coordination in a variety of areas: stakeholder meetings, financial sustainability, project management, and EIS/SEPA planning. Currently, total spending from the Seattle Center Fund for this effort is expected to be no greater than \$2.5 million.

Technical Adjustments

Abrogate Unfunded Positions - (1.00) FTE

This item abrogates an unfunded 1.0 FTE Admin Spec II position.

Expenditure Overview

Appropriations	Summit Code	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Access Budget Control Level	SC670	1,249,164	1,194,373	1,225,480	1,228,073
Administration-SC Budget Control Level	SC690	8,920,652	9,460,358	9,289,285	9,259,136
Campus Grounds Budget Control Level	SC600	12,713,765	13,493,337	13,772,607	14,297,413
Commercial Events Budget Control Level	SC640	1,768,018	1,667,633	1,710,426	1,714,078
Community Programs Budget Control Level	SC620	2,466,803	2,274,812	2,328,714	2,439,347
Cultural Facilities Budget Control Level	SC630	310,673	256,205	263,830	264,558
Debt Budget Control Level	SC680	124,450	125,250	125,750	125,750
Festivals Budget Control Level	SC610	1,320,365	1,486,307	1,530,827	1,534,397
Judgment and Claims Budget Control Level	SC710	0	223,449	193,984	193,984
KeyArena Budget Control Level	SC660	9,353,327	8,034,417	8,718,610	8,907,878
McCaw Hall Budget Control Level	SC650	4,921,126	4,658,612	4,796,867	4,810,674
Department Total		43,148,343	42,874,753	43,956,380	44,775,288
Department Full-time Equivalents Total*		241.13	241.73	241.73	242.73

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

Seattle Center

Revenue Overview

2018 Estimated Revenues

Summit Code	Source	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
462300	Parking	6,081,076	6,275,720	6,275,791	6,275,791
462800	Monorail	909,718	1,074,200	1,012,424	1,012,424
	Total Access	6,990,794	7,349,920	7,288,215	7,288,215
441960	Seattle Center Fund	145,788	145,000	145,000	251,419
462900	Administration	53,744	30,700	30,700	30,700
541490	CIP	1,065,824	1,507,449	1,538,226	1,538,226
587001	General Fund - McCaw Hall Debt	62,250	62,625	62,875	62,875
	Total Administration	1,327,606	1,745,774	1,776,801	1,883,220
462500	Leases - Campus Grounds	1,434,910	1,672,167	1,795,055	1,795,055
462800	Armory Concessions	1,171,103	1,229,609	1,265,080	1,265,080
	Total Campus Grounds	2,606,013	2,901,776	3,060,135	3,060,135
462400	Campus Commercial Events	2,233,741	1,685,635	1,678,412	1,678,412
	Total Commercial Events	2,233,741	1,685,635	1,678,412	1,678,412
439090	Campus Sponsorships	511,905	400,000	450,000	500,000
441960	Seattle Center Productions	122,775	115,000	115,000	115,000
	Total Community Programs	634,680	515,000	565,000	615,000
462500	Leases - Cultural Facilities	1,647,262	1,682,058	1,700,819	1,850,819
	Total Cultural Facilities	1,647,262	1,682,058	1,700,819	1,850,819
462500	McCaw Hall Tenant Use Fees - Debt	62,250	62,625	62,875	62,875
	Total Debt	62,250	62,625	62,875	62,875
441960	Festivals	521,498	701,698	784,591	784,591
	Total Festivals	521,498	701,698	784,591	784,591
587001	General Subfund Support	13,422,597	12,150,253	12,349,760	12,105,154
	Total General Subfund Support	13,422,597	12,150,253	12,349,760	12,105,154
587001	Judgment and Claims Allocation	0	223,449	193,984	193,984
	Total Judgment and Claims Allocation	0	223,449	193,984	193,984
441710	KeyArena Miscellaneous	1,018,352	719,563	720,675	720,675
441960	KeyArena Reimbursables	4,355,012	3,649,486	3,956,618	3,956,618
462400	KeyArena Premium Seating	1,550,297	825,000	825,000	825,000
462400	KeyArena Rent	-112,801	890,232	858,803	858,803
462800	KeyArena Concessions	1,188,663	925,859	1,166,253	1,166,253
462800	KeyArena Ticketing	2,681,238	1,753,452	1,966,478	2,016,478
	Total KeyArena	10,680,761	8,763,592	9,493,827	9,543,827
441960	McCaw Hall Reimbursables	1,940,453	1,966,944	2,032,002	2,032,002
462400	McCaw Hall Rent	469,582	376,910	310,329	310,329
462500	McCaw Hall Tenant Use Fees	1,338,553	1,176,359	1,324,383	1,324,383

Seattle Center

462800	McCaw Hall Catering & Concessions	331,088	280,579	280,166	280,166
462800	McCaw Hall Miscellaneous	317,874	250,087	285,098	285,098
587001	General Fund - McCaw Hall	724,825	607,684	619,838	619,838
Total McCaw Hall		5,122,375	4,658,563	4,851,816	4,851,816
Total Revenues		45,249,577	42,440,343	43,806,235	43,918,048
379100	Use of (Contribution to) Fund Balance	-2,101,234	434,410	150,145	857,240
Total Use of (Contribution to) Fund Balance		-2,101,234	434,410	150,145	857,240
Total Resources		43,148,343	42,874,753	43,956,380	44,775,288

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. Program services include operating parking services, maintaining parking garages, managing the Seattle Center Monorail, and encouraging use of alternate modes of transportation.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Access	1,249,164	1,194,373	1,225,480	1,228,073
Total	1,249,164	1,194,373	1,225,480	1,228,073
Full-time Equivalents Total*	9.37	9.37	9.37	9.37

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

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.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Administration-SC	8,920,652	9,460,358	9,289,285	9,259,136
Total	8,920,652	9,460,358	9,289,285	9,259,136
Full-time Equivalents Total*	22.11	15.76	15.76	16.76

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Seattle Center

Campus Grounds Budget Control Level

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

Program Expenditures	2016	2017	2018	2018
	Actuals	Adopted	Endorsed	Proposed
Campus Grounds	12,713,765	13,493,337	13,772,607	14,297,413
Total	12,713,765	13,493,337	13,772,607	14,297,413
Full-time Equivalents Total*	75.84	79.29	79.29	79.29

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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.

Program Expenditures	2016	2017	2018	2018
	Actuals	Adopted	Endorsed	Proposed
Commercial Events	1,768,018	1,667,633	1,710,426	1,714,078
Total	1,768,018	1,667,633	1,710,426	1,714,078
Full-time Equivalents Total*	7.48	10.98	10.98	10.98

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

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.

Program Expenditures	2016	2017	2018	2018
	Actuals	Adopted	Endorsed	Proposed
Community Programs	2,466,803	2,274,812	2,328,714	2,439,347
Total	2,466,803	2,274,812	2,328,714	2,439,347
Full-time Equivalents Total*	12.88	12.88	12.88	13.88

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

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.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Cultural Facilities	310,673	256,205	263,830	264,558
Total	310,673	256,205	263,830	264,558
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 Human Resources 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.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Debt	124,450	125,250	125,750	125,750
Total	124,450	125,250	125,750	125,750

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.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Festivals	1,320,365	1,486,307	1,530,827	1,534,397
Total	1,320,365	1,486,307	1,530,827	1,534,397
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 Human Resources 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.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Judgment and Claims	0	223,449	193,984	193,984
Total	0	223,449	193,984	193,984

Seattle Center

KeyArena Budget Control Level

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

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
KeyArena	9,353,327	8,034,417	8,718,610	8,907,878
Total	9,353,327	8,034,417	8,718,610	8,907,878
Full-time Equivalents Total*	66.49	66.49	66.49	65.49

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

McCaw Hall Budget Control Level

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

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
McCaw Hall	4,921,126	4,658,612	4,796,867	4,810,674
Total	4,921,126	4,658,612	4,796,867	4,810,674
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 Human Resources Director actions outside of the budget process may not be detailed here.*

Seattle Center

Seattle Center Fund Table

Seattle Center Fund (11410)

	2016 Actuals	2017 Adopted	2017 Revised	2018 Endorsed	2018 Proposed
Beginning Fund Balance	4,799,135	4,175,208	6,657,834	3,740,798	6,101,659
Accounting and Technical Adjustments	-242,535	0	0	0	0
Plus: Actual and Estimated Revenues	45,249,577	42,440,343	42,414,578	43,806,235	43,918,048
Less: Actual and Budgeted Expenditures	43,148,343	42,874,753	42,970,753	43,956,380	44,775,288
Ending Fund Balance	6,657,834	3,740,798	6,101,659	3,590,653	5,244,419
Long-Term Receivables	0	1,051,421	1,018,298	926,421	893,298
Reserves against fund balance	1,821,534	1,741,534	1,821,355	1,741,534	1,821,355
Total Reserves	1,821,534	2,792,955	2,839,653	2,667,955	2,714,653
Ending Unreserved Fund Balance	4,836,300	947,843	3,262,006	922,698	2,529,766

Seattle Center

Capital Improvement Program Highlights

Seattle Center's 2018-2023 Proposed Capital Improvement Program (CIP) is at the heart of Seattle Center's purpose to create exceptional events, experiences and environments that delight and inspire the human spirit to build stronger communities. 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 thousands of events each year. In 2018, Seattle Center's CIP prioritizes funding to address key findings from the first phase of a Facility Condition Assessment of Seattle Center facilities, including improvements and repairs in the Armory, KeyArena, Central Plant, and campus roofs. The CIP also includes funding for a range of asset preservation investments. These include repairs and improvements within Seattle Center's three parking garages, renovation of lighting and animation controls at the International Fountain, and continued implementation of the McCaw Hall Capital Renewal Plan and the Seattle Center Monorail Capital and Major Maintenance Program Plan.

Looking to the future, the Seattle Center CIP allocates funding in 2018 to continue condition assessments of Seattle Center facilities and infrastructure through Phase Two of the Facilities Condition Assessment. Seattle Center's CIP also dedicates funds to continue planning and outreach regarding redevelopment opportunities on the campus and updates to the 2008 Seattle Center Century 21 Master Plan. Finally, funding is included for one-time equipment and start-up costs related to the integration of the Monorail into the regional ORCA system. These costs are supported by Transit Corridor Funds from the Seattle Department of Transportation. Over 2 million people ride the monorail annually. A study of Monorail ridership found that by bringing ORCA to the Monorail, ridership will increase between 7 to 16% over the first three years of implementation due to the increased convenience of taking the Monorail to access Seattle Center and the Uptown neighborhood. The funding in the CIP will support ORCA software revisions, hardware acquisition and installation and project management.

The costs of managing Seattle Center's CIP, including project management and administration, are funded within Seattle Center's CIP. Funding for Seattle Center's 2018-2023 Proposed CIP comes primarily from the Cumulative Reserve Subfund, LTGO Bonds, Seattle Center revenues, federal grant funds, and private sources.

More information and background on Seattle Center's CIP can be found in the 2018-2023 Proposed CIP.

Seattle Center

Capital Improvement Program Appropriation

Budget Control Level	2018 Endorsed	2018 Proposed
Armory Rehabilitation: S9113		
Cumulative Reserve Subfund - REET I Subaccount (00163)	1,185,000	1,185,000
Subtotal	1,185,000	1,185,000
Campuswide Improvements and Repairs: S03P01		
Cumulative Reserve Subfund - REET I Subaccount (00163)	1,125,000	1,425,000
Cumulative Reserve Subfund - Unrestricted Subaccount (00164)	30,000	30,000
Seattle Center Capital Reserve Subfund	500,000	1,000,000
Subtotal	1,655,000	2,455,000
Facility Infrastructure Renovation and Repair: S03P02		
Cumulative Reserve Subfund - REET I Subaccount (00163)	712,000	712,000
Subtotal	712,000	712,000
Key Arena: S03P04		
Cumulative Reserve Subfund - REET I Subaccount (00163)	950,000	0
Subtotal	950,000	0
McCaw Hall Capital Reserve Fund: S0303		
McCaw Hall Capital Reserve	572,000	572,000
Subtotal	572,000	572,000
Monorail Improvements: S9403		
Cumulative Reserve Subfund - Unrestricted Subaccount (00164)	1,255,000	1,905,000
Subtotal	1,255,000	1,905,000
Parking Repairs and Improvements: S0301		
Cumulative Reserve Subfund - REET I Subaccount (00163)	286,000	286,000
Subtotal	286,000	286,000
Public Gathering Space Improvements: S9902		
Cumulative Reserve Subfund - REET I Subaccount (00163)	0	350,000
Cumulative Reserve Subfund - Unrestricted Subaccount (00164)	100,000	100,000
Subtotal	100,000	450,000

Seattle Center

Utility Infrastructure: S03P03

Cumulative Reserve Subfund - REET I Subaccount (00163)	625,000	925,000
Subtotal	625,000	925,000

Total Capital Improvement Program Appropriation	7,340,000	8,490,000
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The Seattle Public Library

Marcellus Turner, City Librarian

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<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 system-wide services program, located at the Central Library, develops and manages services available across the city including borrower services, outreach and public information, specialized services for children, teens, and adults as well as immigrant and refugee populations, and marketing, public education and programming. The Central Library and branch libraries provide Library services, materials, and programs close to where people live, go to school, and work, and serve as focal points for community engagement and lifelong learning.

The Library is governed by a five-member Board of Trustees, appointed by the Mayor and confirmed by the City Council. Board members serve five-year terms and meet every other month. 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.

The Seattle Public Library had more than 5.4 million visits in person in 2016, and nearly 6 million virtual visits 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 (2016 usage noted), including:

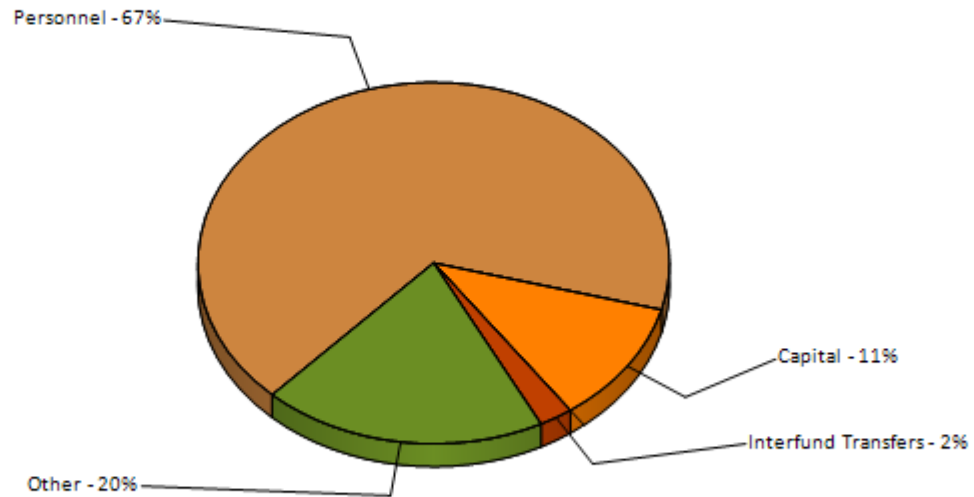
- 11.7 million Library materials checked out; including 5.4 million print books, magazines, and newspapers, 2.9 million DVDs and CDs, 2.1 million e-books, e-audiobooks, and digital comics, over 900,000 streamed or download music and videos and 350,000 other physical library materials;
- assisted information services in-person, virtual, and telephone (760,000 responses);
- on-site Internet access and classes (one million patron Internet sessions);
- sheet music and small practice rooms;
- electronic databases (378,000 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;
- 10,000 literary and other programs and activities attended by 332,000 children, teens, and adults;
- Homework Help (over 11,000 in-person student visits during the 2016-2017 academic year);
- 23 neighborhood meeting rooms (5,100 meetings by neighborhood groups and members of the public);
- a large Central Library auditorium and 12 meeting rooms (568 meetings by external groups with over 23,000 participants); and
- Quick Information Center telephone reference service (386-INFO).

The Seattle Public Library

Budget Snapshot

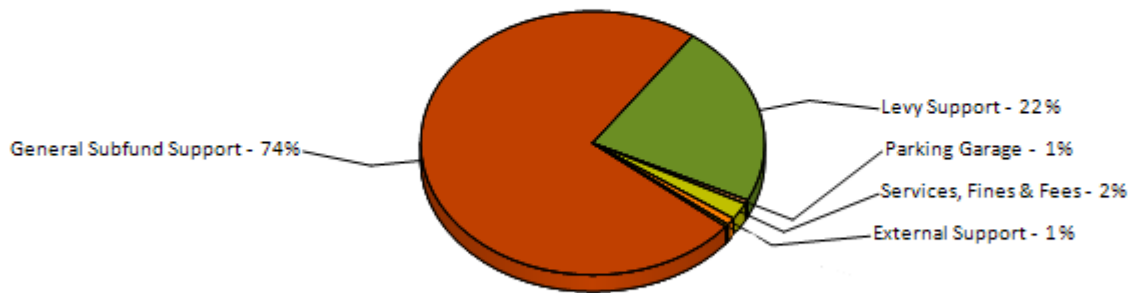
Department Support	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
General Fund Support	\$51,989,193	\$52,321,519	\$53,516,033	\$53,860,290
Other Funding - Operating	\$15,686,170	\$17,371,101	\$17,619,702	\$19,416,567
Total Operations	\$67,675,363	\$69,692,620	\$71,135,735	\$73,276,857
Other funding - Capital	\$4,101,994	\$5,557,000	\$4,322,000	\$4,622,000
Total Appropriations	\$71,777,357	\$75,249,620	\$75,457,735	\$77,898,857

2018 Proposed Budget - Expenditure by Category



The Seattle Public Library

2018 Proposed Budget - Revenue by Category



Budget Overview

With more than 5.4 million visits annually, the Seattle Public Library's 27 locations are among the most heavily used public spaces in the city. Open and welcoming, libraries serve as a haven for some of the city's most vulnerable residents. For individuals experiencing homelessness, libraries provide safe, comfortable, quiet spaces during daytime hours when many shelters are closed; they are often the only daytime shelter individuals have during inclement weather. Also, libraries are frequently the only source of internet access for many patrons, providing the means to search for employment and connect with friends and family through email and social media. With Seattle's growing homelessness crisis, pressure on library resources has intensified along with the need to serve patrons whose immediate needs go well beyond traditional library services. In response to similar pressures, library systems throughout the United States have implemented a variety of programs from peer social services navigators to licensed mental health professionals.

In 2016, the Seattle Public Library Foundation funded the development, implementation and evaluation of a pilot program—the Community Resource Specialist program—to address these urgent needs. The program provides information and referral services to patrons who need housing, shelter, health care or other community resources. During the 2016-2017 pilot phase, the Community Resource Specialist helped hundreds of individuals by providing connections to City, County and community agencies for emergency shelter, permanent housing, employment assistance, transportation and healthcare. The 2018 Proposed Budget provides ongoing General Fund support for this program.

The 2018 Proposed Budget also makes changes to the Library's Collection and Access Services Program. The proposed budget includes a budget-neutral shift from Central and Branch Operations to the Collection Services area, transferring three Library Technician II positions. The work of these three positions is closely tied to acquisitions and Technical and Collection Service functions. The reporting structure change will deliver

The Seattle Public Library

operational benefits through more direct alignment, coordination and communication. In addition, the Library constantly re-evaluates available funding, demand for different information resources, and the breadth of the collection, adjusting purchasing of materials accordingly. For 2018, the Library will not renew subscriptions to seven of its highest-cost, lowest-use databases, reprioritizing this funding to support the critical information and referral service work of the Community Resource Specialist.

In February 2017, the Library and American Federation of State, County, and Municipal Employees (AFSCME) Local 2083 agreed to reclassify six positions supporting the Central Library. The change from Public Services Technician (PST) classification to Library Associate IVs, affords the Library greater flexibility to staff various service points and programs, to increase the Library's ability to provide technical assistance to library patrons and to meet emergent needs throughout the Central Library. The 2018 Proposed Budget includes General Fund and Library Levy resources reflecting the change in Library costs to support ongoing operations.

The Library also continues to manage the public's growing preference for digital media rather than print media. As demand shifts, revenues from fines and fees decline since digital materials do not incur late fines. Compounding the loss of this revenue to support Library operations, the cost of e-books and e-audiobooks places additional pressure on the Library's collection budget. The Library incurs strikingly different materials costs based on the format purchased; a digital item can carry a cost per copy that is almost five or six times higher than its physical counterpart. The Library has addressed some of these pressures in the past with one-time funding from fund balance and Library Levy, but lacks an ongoing mechanism to address the price discrepancy.

The Library also continues to explore ways to better use facility space and align function with location. In 2017, the Library sold its Queen Anne storage facility, the proceeds from which will be applied to the future acquisition of another permanent facility. However, given the competitiveness of the local real estate market, the Library is having difficulty identifying an appropriate and affordable site in which to consolidate shop, storage and materials handling functions. In the absence of a permanent facility, the Library will move forward with the replacement of the Automated Materials Handling System (AMHS) at its current Central Library location. In operation since 2004, this critical piece of equipment checks in, sorts and distributes nearly 80% of all circulating materials in The Seattle Public Library system. The proposed budget includes funding for system maintenance and repair through full system replacement in late 2018. A new system is expected to deliver significant performance improvements and to address a current security weakness that prevents book drops from operating 24 hours a day. The 2018 Proposed Budget appropriates money from Library Fund balance for the maintenance and replacement of the AMHS.

The 2018 Proposed Budget also funds capital work at the Central Library and branch libraries. Security camera upgrades are planned throughout the Central Library and additional security and storage improvements are planned for the Seattle Room/Special Collections on the Central Library's 10th floor. Continuing work began in 2017, the Library will also complete an assessment of the glass and steel "curtain wall." Capital work at the branches includes funding for upgrades and/or replacements to HVAC, mechanical, electrical and plumbing systems, with a focus on the Library's landmarked branches. Reimagining projects at Lake City and South Park are scheduled for 2018. A public service improvement project, Douglass-Truth exterior ramp and stairs access upgrades, is also scheduled for 2018. While these projects mostly fall under the "public service improvements" category, they also contribute to other thematic priorities such as asset preservation and building safety.

Budget Performance Measures

The Seattle Public Library participated in the Budget Performance Measures pilot. This pilot explores use of the annual budget book to discuss and display performance measures and related financial information for City departments. A more in-depth description of this pilot and its objectives can be found in the Budget Performance Measures section in the 2018 Proposed Budget introduction.

As part of this project, the Library worked with the City Budget Office to:

The Seattle Public Library

1. identify and present service area workload performance measures;
2. present actual and estimated achievements for each measure; and
3. present specific budgetary appropriations and position authorities associated with each measure, as appropriate.

The Budget Performance Measures section in the 2018 Proposed Budget introduction contains detailed descriptions of the Library's performance measures, including:

- Library collections
- Internet access to Seattle residents
- English classes and literacy services
- Homework help

Incremental Budget Changes

The Seattle Public Library

	2018 Budget
Total 2018 Endorsed Budget	\$ 71,135,735
Baseline Changes	
Citywide Adjustments for Standard Cost Changes	\$ 221,172
Proposed Changes	
Community Resource Specialist	\$ 110,000
General Fund Reductions	-\$ 72,500
Replacement of Automated Materials Handling System	\$ 1,745,450
Citywide Summit Re-Implementation Project	\$ 90,000
Proposed Technical Changes	
Staff Reclassification and Reorganization to Better Support Library Operations	\$ 47,000
Total Incremental Changes	\$ 2,141,122
2018 Proposed Budget	\$ 73,276,857

The Seattle Public Library

Descriptions of Incremental Budget Changes

Baseline Changes

Citywide Adjustments for Standard Cost Changes - \$221,172

Citywide technical adjustments made in the baseline phase reflect changes to internal services costs, health care, and industrial insurance charges for the department. These adjustments reflect initial assumptions about these costs and inflators early in the budget process.

Proposed Changes

Community Resource Specialist - \$110,000

Like most urban public library systems, the Seattle Public Library often serves patrons whose immediate needs go beyond information provision and information literacy. In 2016, the Seattle Public Library Foundation funded the development, implementation and evaluation of a program to address these unmet needs. Based on the pilot program's success, this item provides ongoing General Fund support for the Library's Community Resource Specialist Program which expands and improves information and referral services to patrons who are in need of housing, shelter, health care or other community resources. The Library will contract with a human services provider to station a social services information professional, the Community Resource Specialist, in key Library locations, including the Central Library and Ballard branch, with expansion planned for the Capitol Hill branch.

General Fund Reductions - (\$72,500)

The 2017 Adopted budget provides collections funding to support 86 online database subscriptions. These online resources are selected, monitored, and organized by the Library. At each subscription renewal opportunity, the Library evaluates these resources for usage, cost and available alternatives, determining whether to maintain or suspend service.

This item reduces collections funding in the 2018 Proposed Budget for seven of the Library's highest-cost, lowest-use databases. These databases provide access to a variety of information, ranging from health and wellness subjects to literary criticism. Similar content is available through other services, but to a lesser degree of specialty and presentation. Funding will be diverted to the Library's Community Resource Specialist Program.

Replacement of Automated Materials Handling System - \$1,745,450

The Library's Automated Materials Handling System (AMHS) has been in operation since the opening of the Central Library in 2004. This essential piece of equipment checks in, sorts and distributes nearly 80% of all circulating materials in The Seattle Public Library system. The AMHS has reached the end of its useful life and repair and maintenance costs for the 13-year-old system continue to increase. Ad-hoc modifications and short-term fixes are no longer feasible, leading to increased system downtime and diminished customer service for library patrons.

Investment in a replacement system will also allow the Library to benefit from industry advances since the last time the AMHS was replaced. A new system is expected to double the existing processing rate, with the ability to run 24 hours a day, 7 days a week. It will also be able to verify each item as a library item prior to accepting it into the system, addressing a current security weakness that prevents book drops from operating 24 hours a day. The

The Seattle Public Library

estimated \$1,700,000 necessary to replace the system will be funded with Library fund balance.

To provide critical near-term system repairs, reduce operational downtime and prevent system failure the Library must also purchase a maintenance plan from the current AMHS system manufacturer. This \$45,450 plan includes system review and recertification, mechanical and software support, maintenance, performance adjustments, and staff training to help ensure the system remains operational while plans for a replacement are underway. This will be funded with Library fund balance.

Citywide Summit Re-Implementation Project - \$90,000

This item represents the department's work in support of the Citywide Summit Re-Implementation project. A description of the Summit Re-Implementation project is located within the Department of Finance and Administrative Services.

Proposed Technical Changes

Staff Reclassification and Reorganization to Better Support Library Operations - \$47,000

This adjustment reflects the change in Library costs to support ongoing operations and provides \$36,000 of General Fund and \$11,000 of Library Levy funding due to reclassification of six positions supporting the Central Library from Public Services Technician (PST) classification to Library Associate IVs.

This adjustment also includes a budget neutral realignment of three Library Technician II positions between Library Program and Services areas. The reorganization shifts positions from Programs and Services - Central and Branch Operations to Collection and Access Services. The work of these three positions is closely tied to acquisitions and Technical and Collection Service functions and the reporting structure change will deliver operational benefits through more direct alignment, coordination and communication.

The Seattle Public Library

Expenditure Overview

Appropriations	Summit Code	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Administrative Services					
Administrative Services Director		748,183	808,405	712,625	757,345
Event Services		497,857	541,614	557,571	559,782
Facilities and Security Services		8,012,626	8,708,720	8,917,995	8,943,616
Finance Services		1,360,476	822,437	831,036	854,857
Total	B1ADM	10,619,141	10,881,176	11,019,227	11,115,600
City Librarian's Office					
City Librarian		518,656	494,004	507,363	508,474
Total	B2CTL	518,656	494,004	507,363	508,474
Human Resources	B5HRS	1,297,135	1,384,907	1,421,738	1,453,704
Institutional and Strategic Advancement					
Communications		313,889	339,244	349,029	350,133
Institutional & Strategic Advancement		1,136	199,120	204,753	205,124
Marketing and Online Services		1,036,797	918,840	941,333	943,554
Total	B7STR	1,351,822	1,457,204	1,495,115	1,498,811
Library Programs and Services					
Collection and Access Services		15,683,882	15,338,649	15,903,896	17,851,332
Information Technology		4,406,939	5,675,227	5,336,393	5,342,687
Library Programs and Services Director		941,374	1,474,846	1,496,346	1,498,198
Program and Services - Systemwide Services		2,570,475	2,757,465	2,840,998	2,959,707
Programs and Services - Central and Branch Operations		30,285,938	30,229,142	31,114,659	31,048,344
Total	B4PUB	53,888,609	55,475,329	56,692,292	58,700,268
Department Total		67,675,363	69,692,620	71,135,735	73,276,857

The Seattle Public Library

Revenue Overview

2018 Estimated Revenues

Summit Code	Source	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
542810	Cable Franchise Fees	530,000	640,000	642,000	642,000
	Total External Support	530,000	640,000	642,000	642,000
462400	Space Rentals	170,763	197,500	197,500	185,000
469112	Sale of Fixed Assets	52,332	55,000	55,000	55,000
	Total Facility Revenues	223,095	252,500	252,500	240,000
587001	General Subfund Support	51,990,217	52,321,519	53,516,033	53,860,290
	Total General Subfund Support	51,990,217	52,321,519	53,516,033	53,860,290
587104	Library Levy	13,340,239	15,441,161	15,711,132	16,211,132
	Total Levy Support	13,340,239	15,441,161	15,711,132	16,211,132
462300	Parking Revenue	365,230	380,000	380,000	365,000
	Total Parking Garage	365,230	380,000	380,000	365,000
441610	Copy Services	187,561	175,000	180,000	192,500
441610	Pay for Print	43,912	55,000	55,000	42,500
459700	Fines and Fees	1,365,908	1,336,000	1,288,000	1,288,000
462800	Coffee Cart	4,366	3,000	3,000	4,000
469990	Misc. Revenue	3,379	3,000	3,000	2,000
	Total Services, Fines & Fees	1,605,126	1,572,000	1,529,000	1,529,000
	Total Revenues	68,053,907	70,607,180	72,030,665	72,847,422
379100	Use of (Contribution To) Fund Balance	-378,544	-914,560	-894,930	429,435
	Total Use of (Contribution To) Fund Balance	-378,544	-914,560	-894,930	429,435
	Total Resources	67,675,363	69,692,620	71,135,735	73,276,857

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.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Administrative Services Director	748,183	808,405	712,625	757,345
Event Services	497,857	541,614	557,571	559,782
Facilities and Security Services	8,012,626	8,708,720	8,917,995	8,943,616
Finance Services	1,360,476	822,437	831,036	854,857
Total	10,619,141	10,881,176	11,019,227	11,115,600

The following information summarizes the programs in Administrative Services:

Administrative Services Director Program

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

	2016	2017	2018	2018
Expenditures	Actuals	Adopted	Endorsed	Proposed
Administrative Services Director	748,183	808,405	712,625	757,345

Event Services Program

The purpose of the Events Services Program is to support Library-hosted as well as private events and programs in order to make Library facilities and meeting rooms more available to the public.

	2016	2017	2018	2018
Expenditures	Actuals	Adopted	Endorsed	Proposed
Event Services	497,857	541,614	557,571	559,782

Facilities and Security Services Program

The purpose of the Facilities and Security Services Program is to maintain and secure the Library's buildings and grounds so that library services are delivered in safe, secure, clean, well-functioning and comfortable environments.

	2016	2017	2018	2018
Expenditures	Actuals	Adopted	Endorsed	Proposed
Facilities and Security Services	8,012,626	8,708,720	8,917,995	8,943,616

The Seattle Public Library

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.

	2016	2017	2018	2018
Expenditures	Actuals	Adopted	Endorsed	Proposed
Finance Services	1,360,476	822,437	831,036	854,857

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.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
City Librarian	518,656	494,004	507,363	508,474
Total	518,656	494,004	507,363	508,474

The following information summarizes the programs in City Librarian's Office:

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.

	2016	2017	2018	2018
Expenditures	Actuals	Adopted	Endorsed	Proposed
City Librarian	518,656	494,004	507,363	508,474

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.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Human Resources	1,297,135	1,384,907	1,421,738	1,453,704
Total	1,297,135	1,384,907	1,421,738	1,453,704

The Seattle Public Library

Institutional and Strategic Advancement

The purpose of the Institutional and Strategic Advancement division is to provide planning and support functions, including strategic analysis, government relations, community partnerships and external and internal communication, to help the City Librarian shape the strategic direction, work and culture of the Library in pursuit of its mission. The division ensures that the public is informed about services and programs offered by the Library.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Communications	313,889	339,244	349,029	350,133
Institutional & Strategic Advancement	1,136	199,120	204,753	205,124
Marketing and Online Services	1,036,797	918,840	941,333	943,554
Total	1,351,822	1,457,204	1,495,115	1,498,811

The following information summarizes the programs in Institutional and Strategic Advancement:

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 over 10,000 annual public programs. The office contributes to the Library's website, a 24/7 portal to Library services, and provides timely and accurate information through a variety of other methods.

As part of the 2017 reorganization, the Communications department was moved from the City Librarian's Office to the newly created Institutional & Strategic Advancement division.

	2016	2017	2018	2018
Expenditures	Actuals	Adopted	Endorsed	Proposed
Communications	313,889	339,244	349,029	350,133

Institutional & Strategic Advancement Program

The purpose of the Institutional & Strategic Advancement Director Program is to assist in the administration of Library operations and play an essential role in shaping the strategic direction, work and culture of the Library.

	2016	2017	2018	2018
Expenditures	Actuals	Adopted	Endorsed	Proposed
Institutional & Strategic Advancement	1,136	199,120	204,753	205,124

The Seattle Public Library

Marketing and Online Services Program

The purpose of the Marketing and Online Services Program is to develop the Library's online services and employ innovative strategies for connecting patrons and community organizations to Library services and resources. The program develops marketing tools to enable the Library to reach new users and help current users discover all the new ways the Library can enrich their lives.

As part of the 2017 reorganization, the Marketing & Online Services program was moved to the newly created Institutional & Strategic Advancement division.

	2016	2017	2018	2018
Expenditures	Actuals	Adopted	Endorsed	Proposed
Marketing and Online Services	1,036,797	918,840	941,333	943,554

Library Programs and Services

The purpose of the Library Programs and Services Division is to provide services, materials, and programs that benefit and are valued by Library patrons. Library Programs and Services provides technical and collection services and materials delivery systems to make Library resources and materials accessible to all patrons.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Collection and Access Services	15,683,882	15,338,649	15,903,896	17,851,332
Information Technology	4,406,939	5,675,227	5,336,393	5,342,687
Library Programs and Services Director	941,374	1,474,846	1,496,346	1,498,198
Program and Services - Systemwide Services	2,570,475	2,757,465	2,840,998	2,959,707
Programs and Services - Central and Branch Operations	30,285,938	30,229,142	31,114,659	31,048,344
Total	53,888,609	55,475,329	56,692,292	58,700,268

The following information summarizes the programs in Library Programs and Services:

Collection and Access Services Program

The purpose of the Collection and Access Services Program is to make library books, materials, databases, downloadable materials, and the library catalog available to patrons and to provide a delivery system that makes Library materials locally available.

	2016	2017	2018	2018
Expenditures	Actuals	Adopted	Endorsed	Proposed
Collection and Access Services	15,683,882	15,338,649	15,903,896	17,851,332

Information Technology Program

The purpose of the Information Technology Program is to provide public and staff technology, data processing infrastructure and services.

As part of the 2017 reorganization, the Information Technology division was moved to the Library Programs and Services division.

The Seattle Public Library

Expenditures	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Information Technology	4,406,939	5,675,227	5,336,393	5,342,687

Library Programs and Services Director Program

The purpose of the Library Programs and Services Director Program is to administer public services, programs, and collection development and access.

Expenditures	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Library Programs and Services Director	941,374	1,474,846	1,496,346	1,498,198

Program and Services - Systemwide Services Program

The purpose of the Library Programs and Services - Systemwide Services Program is to provide systemwide services including borrower services, specialized services for children, teens and adults, community engagement, special collections, and public education and programming. This program also provides in-depth information 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	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Program and Services - Systemwide Services	2,570,475	2,757,465	2,840,998	2,959,707

Programs and Services - Central and Branch Operations Program

The purpose of the Central and Branch Libraries Program is to provide services, materials, and programs close to where people live and work to support lifelong learning, cultural enrichment, recreational reading and community engagement.

Expenditures	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Programs and Services - Central and Branch Operations	30,285,938	30,229,142	31,114,659	31,048,344

The Seattle Public Library

Library Fund Table

Library Fund (10410)

	2016	2017	2017	2018	2018
	Actuals	Adopted	Revised	Endorsed	Proposed
Beginning Fund Balance	2,733,062	2,329,227	3,111,607	3,243,787	3,268,116
Accounting and Technical Adjustments				(938,000)	(938,000)
Plus: Actual and Estimated Revenue	68,053,907	70,607,180	72,343,579	72,030,665	72,847,422
Less: Actual and Budgeted Expenditures	67,675,363	69,692,620	72,187,070	71,135,735	73,276,857
Ending Fund Balance	3,111,607	3,243,787	3,268,116	3,200,717	1,900,681
Known Liability	10,836				
Planning Reserve					
Continuing Appropriations	217,209	938,000	938,000	805,370	805,370
Total Reserves	228,045	938,000	938,000	805,370	805,370
Ending Unreserved Fund Balance	2,883,562	2,305,787	2,330,116	2,395,347	1,095,311

Capital Improvement Program Highlights

The Library CIP program supports asset preservation of structures, building systems, interior elements such as casework and flooring, security, lighting, signage and grounds for the Central Library and 26 branch libraries, encompassing over 600,000 square feet of heavily-used space. Work is prioritized based on its impact on safety, building integrity, and our ability to provide efficient services to the public in comfortable and welcoming places.

Several larger projects are either starting or continuing in 2018 at both the Central Library and the branches. Branch projects scheduled to begin during 2018 include major HVAC work (split system replacement to upgrade IT room cooling) at multiple branches, with emphasis on landmarked branches; roof repair, along with other major maintenance improvements, at Lake City to coincide with the interior Reimagining of that branch (currently in planning stages); Reimagining the South Park branch; exterior access improvements at Douglass-Truth branch (currently in planning stages); and updating the elevator at Green Lake.

Multi-year projects at branches that may carry over from 2017 into 2018 include varying degrees of building envelope and window restoration at three century-old Carnegie branches (Queen Anne, Columbia and Fremont); roof repair at Green Lake; Phase 2 of window replacement at another Carnegie-era branch (University); and garage lighting upgrades at Capitol Hill, Montlake and Greenwood.

The iconic Central Library requires a significant portion of CIP funds, which are often distributed over multi-year projects. Larger, complex and challenging projects such as the Level 3 flooring upgrades and interior curtain wall assessment/maintenance are planned and staged sequentially to minimize the impact on Library services to patrons. These are multi-year projects which require careful logistical coordination as Central Library is one of the City's most frequently visited (and visible) facilities. The Library's goal is to keep the building open during

The Seattle Public Library

construction although access to some areas will be restricted. Flooring work began in 2017 and may continue into 2018; it is necessary to strengthen the raised flooring pedestal supports to accommodate a high-access lift to assess both the fire suppression system and the interior curtain wall. Additional projects planned for later 2017 or 2018 include security and storage improvements on Level 10 for the Seattle Room/Special Collections; security camera upgrades throughout the building; and repainting on Level 4.

Real Estate Excise Tax (REET) revenue plays a vital role in supporting projects beyond the scope of the Library’s Levy-funded major maintenance program. REET will fund significant capital efforts in 2018:

- \$550,000 will support the Library’s “Re-imagining Spaces” efforts, to modify Library spaces and better address patron and community uses of libraries. Planned sites include Lake City and South Park.
- Prior year allocations totaling \$1.5 million provided support for the continuing Level 3 raised flooring upgrades, which could finish by year-end 2017 but may extend into Q1 2018. The existing raised, continuous wood flooring is highly worn and it prevents full access to the plenum space below. The current flooring cannot support equipment that will allow high-access to ceiling-level lighting and for inspecting the fire suppression system, as well as providing safe and easy access for the staging of major programs and exhibits. Replacing and reinforcing the raised pedestal floor plenum system required funding beyond routine maintenance costs.
- A prior year allocation of \$500,000 to assess the Central Library’s interior glass and steel curtain wall will be expended after completion of the Level 3 flooring upgrades, as the flooring upgrades are necessary to support lift equipment required to evaluate both the fire suppression system and the curtain wall.

Capital Improvement Program Appropriation

	2018 Endorsed	2018 Proposed
Library Major Maintenance: B301111		
2012 Library Levy Fund (18100)	3,772,000	4,072,000
Cumulative Reserve Subfund - REET I Subaccount (00163)	550,000	550,000
Subtotal	4,322,000	4,622,000
Total Capital Improvement Program Appropriation	4,322,000	4,622,000

Department of Education and Early Learning

Dwane Chappelle, Director

(206) 233-5118

www.seattle.gov/education

Department Overview

The mission of the Department of Education and Early Learning (DEEL) is to ensure all Seattle children have the greatest opportunity to succeed in school and life, and to graduate from school ready for college or a career. DEEL achieves this goal by investing in high-quality early learning services and programs that help children succeed in school, increasing capacity for such programs in underserved communities and strengthening school-community connections.

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

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

DEEL also administers the Seattle Preschool Program Levy which the voters approved in November 2014. The purpose of the program is to expand access to affordable, high-quality preschool for Seattle's three- and four-year-olds so they enter school prepared to succeed and the academic opportunity gap for children is eliminated. The levy funds a demonstration phase of the Seattle Preschool Program, which began in 2015 and aims to serve between 1,425 and 1,615 children by the 2018-19 school year.

DEEL serves as the liaison between the City and the higher education community on education issues of joint concern. The department builds partnerships with, and facilitates collaboration between, local higher education representatives to increase academic, economic and social advancement. DEEL aligns City investments with institutions' priorities, initiatives and goals to increase student success and higher levels of educational attainment.

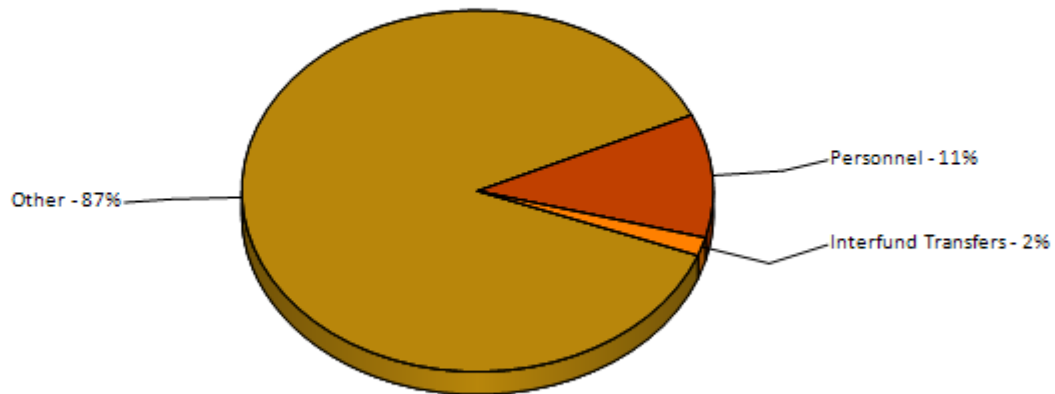
Department of Education and Early Learning

Budget Snapshot

Department Support	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
General Fund Support	\$7,046,367	\$10,353,441	\$8,193,132	\$14,039,174
Other Funding - Operating	\$39,848,708	\$56,237,944	\$65,408,754	\$65,589,754
Total Operations	\$46,895,075	\$66,591,385	\$73,601,886	\$79,628,928
Total Appropriations	\$46,895,075	\$66,591,385	\$73,601,886	\$79,628,928
Full-time Equivalent Total*	54.00	58.50	59.50	75.00

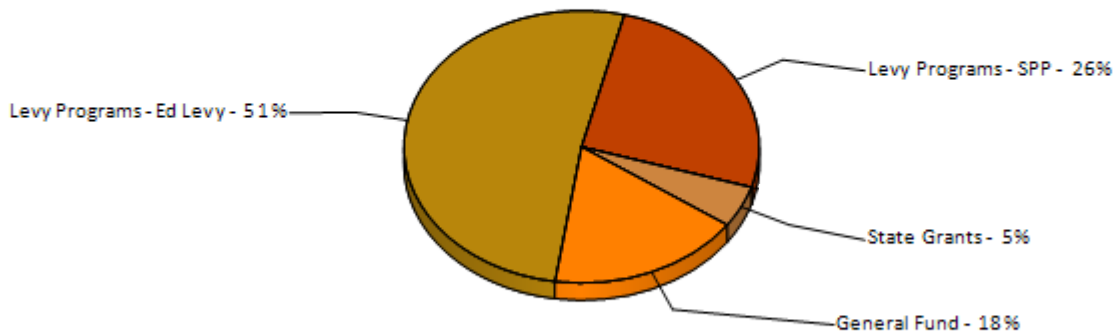
* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

2018 Proposed Budget - Expenditure by Category



Department of Education and Early Learning

2018 Proposed Budget - Revenue by Category



Budget Overview

The 2018 Proposed Budget continues the expansion of DEEL in staffing and scope as the department works to reduce the opportunity gap in education, from birth to post-secondary education. Eliminating educational disparities between white and racial or ethnic minority students is paramount to the City's vision for an equitable Seattle. In 2016, the City held a series of neighborhood-based conversations across Seattle to address the academic achievement gap culminating in an Education Summit. Over 500 people, everyone from parents and students to local education leaders, attended the Summit. The goal was to deepen the partnerships between the City, Seattle Public Schools, community organizations, businesses, philanthropies and education advocates to ensure that each of our students share in opportunity. With that in mind, the City convened an Education Summit Advisory Group comprised of those partners to develop recommendations on how the City can help make education more equitable. In June 2017, the City Council adopted the final recommendations of the Advisory Group, the Education Action Plan, to guide City investments towards eliminating the opportunity gaps for African-American/Black and other students of color. The 2018 Proposed Budget includes ongoing funding for some of these recommendations.

Sweetened Beverage Tax Investments

The proposed tax on sweetened beverages will raise revenues to address the disparities in education and healthy food access for a more equitable Seattle. Several departments are involved in this City initiative: DEEL and the Department of Parks and Recreation (Parks) are working on education-related programs, while the Human Services Department (HSD) and the Office of Sustainability and Environment (OSE) are working on improving healthy food access for low-income families. Please see the budget sections for HSD and OSE for additional information on their food access work.

The 2017 Adopted Budget provided one-time funding to begin implementation of several recommendations from the Education Advisory Group. The initial investments included school-based mentoring, an innovation high

Department of Education and Early Learning

school pilot, summer learning, and helping college-bound students enroll in college. My Brother's Keeper, a school-based mentoring program for middle school African-American/Black boys, is administered by Parks. The 2017 Adopted Budget also provided ongoing funding for a post-secondary program, the 13th Year Scholarship, and one-time funding for the Parent-Child Home Program, a home visitation program for two- and three-year-old children. The 2018 Proposed Budget uses Sweetened Beverage Tax revenues to provide ongoing funding for both programs.

The proposed budget also includes funding for new early learning programs to provide comprehensive program support for child care providers who serve children ages birth to three and early childhood behavioral intervention support. The family child care program support and the expansion of early learning interventions will require seven new positions to develop, implement, and support. The proposed budget will also provide one-time funding for Our Best, a program begun in 2017, to double the number of Black male mentors for young Black men and boys. A position will also be added to oversee the program.

The proposed budget will use this tax revenue to continue funding all these initial investments, from early learning to post-secondary access, and add new programs in line with the Education Action Plan. For additional information about the City's use of the Sweetened Beverage Tax, see the 2018 Proposed Budget Executive Summary in the Introduction section of the budget.

Family Child Care

The proposed budget will add a position to support Family Child Care providers as part of the City's continuing efforts to improve early learning opportunities for all children.

Outreach and Engagement

The 2018 Proposed Budget adds a position primarily to conduct the community outreach and engagement necessary to prepare a 2018 proposal to reauthorize the Families and Education and Seattle Preschool Program levies. This position will also provide broader public outreach and engagement to help more Seattle families benefit from DEEL programming. The position will sunset at the end of 2018.

Administrative Capacity

To help DEEL handle the large increase in programming and staffing, the proposed budget provides the addition of a new administrative position.

Budget Performance Measures

DEEL participated in the Budget Performance Measures pilot. This pilot explores use of the annual budget book to discuss and display performance measures and related financial information for City departments. A more in-depth description of this pilot and its objectives can be found in the Budget Performance Measures section in the 2018 Proposed Budget introduction.

As part of this project, DEEL worked with the City Budget Office to:

1. identify and present service area workload performance measures;
2. present actual and estimated achievements for each measure; and
3. present specific budgetary appropriations and position authorities associated with each measure, as appropriate.

The Budget Performance Measures section in the 2018 Proposed Budget introduction contains detailed descriptions of DEEL's performance measures, including:

1. Work Toward Citywide Preschool
2. Promote 3rd Grade Reading Excellence
3. Promote Summer Learning
4. Promote Student Health

Department of Education and Early Learning

Incremental Budget Changes

Department of Education and Early Learning

	2018	
	Budget	FTE
Total 2018 Endorsed Budget	\$ 73,601,886	59.50
Baseline Changes		
Citywide Adjustments for Standard Cost Changes	-\$ 5,236	0.00
Supplemental Budget Changes	\$ 0	4.50
Position Cost Adjustment	\$ 15,893	0.00
Proposed Changes		
Sweetened Beverage Tax Investment: K-12	\$ 1,004,500	0.00
Sweetened Beverage Tax Investment: 13th Year Promise Scholarship	\$ 1,381,885	0.00
Sweetened Beverage Tax Investment: Parent-Child Home Partnership	\$ 525,000	0.00
Sweetened Beverage Tax Investment: Early Learning (Subject to Proviso)	\$ 2,735,000	7.00
Sweetened Beverage Tax Investment: Our Best	\$ 370,000	1.00
Family Child Care Education Coach	\$ 0	1.00
Outreach and Engagement	\$ 0	1.00
Administrative Capacity	\$ 0	1.00
Total Incremental Changes	\$ 6,027,042	15.50
2018 Proposed Budget	\$ 79,628,928	75.00

Descriptions of Incremental Budget Changes

Baseline Changes

Citywide Adjustments for Standard Cost Changes - (\$5,236)

Citywide technical adjustments made in the baseline phase reflect changes to internal services costs, health care, and industrial insurance charges for the department. These adjustments reflect initial assumptions about these costs and inflators early in the budget process.

Supplemental Budget Changes - 4.50 FTE

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

Department of Education and Early Learning

The 2017 1st Quarter Supplemental Budget Ordinance added three full-time positions in the Early Learning Division and increased a position to full-time in the Director's Office. The Early Learning positions consist of: an Early Education Specialist, Sr. to serve as an education coach in the Seattle Preschool Program (SPP); a Human Services Coordinator to provide intake for the SPP and SPP Pathway Program; and a Manager 1 to help build quality assurance policies and procedures. The administrative position in the Director's Office was increased to a full-time Administrative Staff Assistant to support the implementation of the Education Action Plan and staff the Youth Opportunity Cabinet, Our Best program, and Mayor's Council on Black Male Achievement.

The 2017 2nd Quarter Supplemental Budget Ordinance added one full-time K-12 position. This position, a Planning and Development Specialist I, will help support the public process of the Request for Investments, implement the monitoring of investments, and write progress reports.

DEEL will use existing resources to fund these positions.

Position Cost Adjustment - \$15,893

This item adjusts the costs of a position in accordance with the recommendation from the Seattle Department of Human Resources.

Proposed Changes

Sweetened Beverage Tax Investment: K-12 - \$1,004,500

This item includes the use of the Sweetened Beverage Tax to continue or expand funding of existing K-12 investments that are part of the Education Action Plan. The 2017 Adopted and 2018 Endorsed Budget funded some preliminary recommendations from the Education Summit Advisory Group. These recommendations included: school-based mentoring, an innovation high school, summer learning, and helping college-bound students enroll in college. To see more information on My Brother's Keeper, a school-based mentoring program for Black boys, please see the Department of Parks and Recreation section of the budget.

The proposed budget will provide \$440,750 in funding to transition a pilot high school program to an ongoing one modeled on the Families and Education Levy middle school innovation program that significantly improved academic achievement for students in these schools. Investments affect students in all grades and allow for a whole student approach that addresses academic skills, social emotional development, health, and family engagement. Beginning in Fall of 2017, Cleveland High School implemented strategies to reduce disciplinary actions, improve attendance, adopt a more rigorous curriculum, create or adopt more culturally relevant curricula, and improve college and career planning and experiential learning for students at all grade levels.

High-quality, culturally specific summer learning slots will be expanded to serve more students, supported by \$461,250 in ongoing funding. These programs will be aimed at African-American/Black and other students of color without requiring that the students struggle academically. The proposed budget will also provide \$102,500 in ongoing funding to allow DEEL to continue to help college-bound high school graduates avoid summer melt, which refers to the fact that as many as one in five high school graduates who gain college admission don't arrive on campus in the fall. Most of these students are low-income and ethnic minority, often the first to attend college, and need additional support to complete all the steps necessary for enrollment.

For additional information about the City's use of the Sweetened Beverage Tax ([Ordinance 125324](#)), see the 2018 Proposed Budget Executive Summary in the Introduction section of the budget.

Department of Education and Early Learning

Sweetened Beverage Tax Investment: 13th Year Promise Scholarship - \$1,381,885

This item includes the use of the Sweetened Beverage Tax to expand funding of the 13th Year Promise Scholarship. The 2017 Adopted and 2018 Endorsed Budget funded some preliminary recommendations from the Education Summit Advisory Group, including adding ongoing funding for the 13th Year Promise Scholarship to support non-tuition components of the program. The Seattle College Foundation runs this program that allows local graduating seniors to attend South Seattle College tuition-free for one year. The program also offers students a variety of college readiness workshops during their senior year to prepare for college enrollment and to improve math and English skills, if necessary. The proposed budget will provide one-time funding to expand 13th Year as part of a multi-year effort to create a \$5 million endowment.

For additional information about the City's use of the Sweetened Beverage Tax ([Ordinance 125324](#)), see the 2018 Proposed Budget Executive Summary in the Introduction section of the budget.

Sweetened Beverage Tax Investment: Parent-Child Home Partnership - \$525,000

This item includes the use of the Sweetened Beverage Tax to provide ongoing funding for the Parent-Child Home Partnership (PCHP). The 2017 Adopted Budget provided one-time funding to expand PCHP to provide literacy education to more two- and three-year old children from low-income families. The proposed budget will maintain this service level to serve roughly 590 Seattle children. The City partners with United Way of King County to deliver this program.

For additional information about the City's use of the Sweetened Beverage Tax ([Ordinance 125324](#)), see the 2018 Proposed Budget Executive Summary in the Introduction section of the budget.

Sweetened Beverage Tax Investment: Early Learning (Subject to Proviso) - \$2,735,000/7.00 FTE

This item includes the use of the Sweetened Beverage Tax to provide funding for new early learning programs. How well children learn and develop during these critical years, from birth to three years of age, will have long-lasting effects on their well-being, well into adulthood. The early learning programs will expand support to family child care providers and provide new services to birth-to-3 child care providers. Family child care is home-based care provided in a private home. Often these providers and the children in their care are ethnic minority or of immigrant background. The family child care program support will include, but not be limited to, curriculum training, expanded nurse health support, operational funding to provider networks, and expanding the Parent-Child Home Program to 12 new providers. Comprehensive program support for birth-to-3 child care providers will include items such as early child behavioral intervention support, professional development, and nursing support for infants and toddlers in childcare. These programs, including their staff and administrative costs, will be subject to a proviso that no funding for these programs may be spent until the Sweetened Beverage Tax Community Advisory Board delivers its recommendations to Council on how to spend the tax revenue.

For additional information about the City's use of the Sweetened Beverage Tax ([Ordinance 125324](#)), see the 2018 Proposed Budget Executive Summary in the Introduction section of the budget.

Sweetened Beverage Tax Investment: Our Best - \$370,000/1.00 FTE

This item includes the use of the Sweetened Beverage Tax to continue funding Our Best, one of the recommendations in the Education Action Plan. This is the City's initiative to improve the well-being of young Black men in the areas of education, positive connections, employment, health, and safety. The City launched Our Best in 2017 with \$300,000 in one-time funding from the 1st Quarter Supplemental Budget Ordinance. This program is one of the recommendations of the Education Action Plan. To address the shortage of mentors for Black boys, the proposed budget will provide \$189,000 in one-time funding for Our Best to double the number of

Department of Education and Early Learning

Black male mentors. A Strategic Advisor 3 will be added to manage this program using \$181,000 of the department's operating fund balance. DEEL will evaluate the effectiveness of the recruitment program before it receives additional funding.

For additional information about the City's use of the Sweetened Beverage Tax ([Ordinance 125324](#)), see the 2018 Proposed Budget Executive Summary in the Introduction section of the budget.

Family Child Care Education Coach - 1.00 FTE

This item includes the adding of an Early Education Specialist, Sr., position to Early Learning. This position will serve as a coach to provide in-classroom training for family child care educators. This replaces a department contract for coaching services for family child care providers. The existing contract will be used to fund the position.

Outreach and Engagement - 1.00 FTE

This is a one-time add of a Strategic Advisor 1 to facilitate community outreach and engagement as the City prepares a proposal to reauthorize the Families and Education and Seattle Preschool Program Levies. This position will also provide broader public outreach and engagement to help more Seattle families benefit from DEEL programming. DEEL will use existing Families and Education Levy resources to pay for this position. This position will sunset on December 31, 2018.

Administrative Capacity - 1.00 FTE

This item adds a full-time Administrative Staff Assistant to manage an increased administrative workload as the department continues to expand in size. Since the creation of DEEL in the 2015 Adopted Budget, the department added almost the equivalent of 20 full-time positions, a more than 40% increase. This proposed budget will add the equivalent of nearly 15 full-time positions. Such a surge in positions will require additional capacity to handle every-day administrative concerns. The department will use existing resources to fund this position.

Department of Education and Early Learning

Expenditure Overview

Appropriations	Summit Code	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Director's Office Budget Control Level	ED100	22,788,631	3,114,306	2,289,143	4,056,921
Early Learning Budget Control Level	ED300	21,447,611	33,235,489	39,962,644	42,617,277
Finance and Administration Budget Control Level	ED200	2,170,040	2,758,056	2,925,384	3,525,515
K-12 Budget Control Level	ED400	0	27,483,534	28,424,715	29,429,215
Youth Violence Prevention Initiative Budget Control Level	ED600	488,793	0	0	0
Department Total		46,895,075	66,591,385	73,601,886	79,628,928
Department Full-time Equivalent Total*		54.00	58.50	59.50	75.00

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

Department of Education and Early Learning

Revenue Overview

2018 Estimated Revenues

Summit Code	Source	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
	Oper Tr IN - FR General Fund	7,046,367	10,353,441	8,193,132	14,039,174
	Total General Fund	7,046,367	10,353,441	8,193,132	14,039,174
	Taxes, Levies, & Bonds	30,168,170	38,261,769	40,887,046	40,887,046
	Total Levy Programs - Ed Levy	30,168,170	38,261,769	40,887,046	40,887,046
	Private Contributions	342,074	1,541,202	2,554,823	2,554,823
	Taxes, Levies, & Bonds	6,123,481	12,515,602	18,047,514	18,047,514
	Total Levy Programs - SPP	6,465,555	14,056,804	20,602,337	20,602,337
	Other Private Contributions	358,254	0	0	0
	Total Private Grants	358,254	0	0	0
	State Grants	3,894,536	3,919,371	3,919,371	3,919,371
	Total State Grants	3,894,536	3,919,371	3,919,371	3,919,371
	Total Revenues	47,932,882	66,591,385	73,601,886	79,447,928
371000	Use of (Contribution to) Fund Balance	-1,037,807	0	0	181,000
	Total General Fund	-1,037,807	0	0	181,000
	Total Resources	46,895,075	66,591,385	73,601,886	79,628,928

Appropriations By Budget Control Level (BCL) and Program

Director's Office Budget Control Level

The purpose of the Director's Office Budget Control Level is to provide executive leadership to support the achievement of department outcomes and engage community members in the work of the department.

Program Expenditures	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Director's Office	22,788,631	3,114,306	2,289,143	4,056,921
Total	22,788,631	3,114,306	2,289,143	4,056,921
Full-time Equivalents Total*	13.00	9.50	9.50	12.00

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

Department of Education and Early Learning

Early Learning Budget Control Level

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

Program Expenditures	2016	2017	2018	2018
	Actuals	Adopted	Endorsed	Proposed
Early Learning	21,447,611	33,235,489	39,962,644	42,617,277
Total	21,447,611	33,235,489	39,962,644	42,617,277
Full-time Equivalents Total*	31.00	34.00	34.00	43.00

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

Finance and Administration Budget Control Level

The purpose of the Finance and Administration Budget Control Level is to provide financial, administrative, human resources, and information technology support to the department.

Program Expenditures	2016	2017	2018	2018
	Actuals	Adopted	Endorsed	Proposed
Finance and Administration	2,170,040	2,758,056	2,925,384	3,525,515
Total	2,170,040	2,758,056	2,925,384	3,525,515
Full-time Equivalents Total*	10.00	10.00	11.00	14.00

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

K-12 Budget Control Level

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

Program Expenditures	2016	2017	2018	2018
	Actuals	Adopted	Endorsed	Proposed
K-12	0	27,483,534	28,424,715	29,429,215
Total	0	27,483,534	28,424,715	29,429,215
Full-time Equivalents Total*	0.00	5.00	5.00	6.00

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Department of Education and Early Learning

Youth Violence Prevention Initiative Budget Control Level

The purpose of the Youth Violence Prevention Initiative Budget Control Level is to help reduce youth violence.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Youth Violence Prevention Initiative	488,793	0	0	0
Total	488,793	0	0	0

Department of Education and Early Learning

Education Fund Table

Department of Education Fund (14100)

	2016 Actuals	2017 Adopted	2017 Revised	2018 Endorsed	2018 Proposed
Beginning Fund Balance	1,052,423	2,090,230	2,090,230	2,090,230	1,382,730
Accounting and Technical Adjustments	0	0	0	0	0
Plus: Actual and Estimated Revenues	47,932,882	66,591,385	66,591,385	73,601,886	79,447,928
Less: Actual and Budgeted Expenditures	46,895,075	66,591,385	67,298,885	73,601,886	79,628,928
Ending Fund Balance	2,090,230	2,090,230	1,382,730	2,090,230	1,201,730
Reserve Against Fund Balance	2,090,230	2,090,230	1,382,730	2,090,230	1,201,730
Total Reserves	2,090,230	2,090,230	1,382,730	2,090,230	1,201,730
Ending Unreserved Fund Balance	0	0	0	0	0

Education-Support Services Levy

Dwane Chappelle, Department of Education and Early Learning

(206) 233-5118

www.seattle.gov/education

Department Overview

In November 2011, Seattle voters approved a \$231 million renewal of the Education-Support Services Levy, otherwise known as the Families and Education Levy, for the period of 2012-2018. The 2011 Families and Education Levy invests in early learning, elementary school, middle school, high school, and health programs to achieve three goals:

1. Improve children's readiness for school.
2. Enhance students' academic achievement and reduce the academic achievement gap; and
3. Decrease students' dropout rate and increase graduation from high school and prepare students for college and/or careers after high school.

Levy investments are aligned with the goals of Seattle Public Schools to double the number of students who enroll in post-secondary programs after high school and/or achieve a career credential.

Department of Education and Early Learning (DEEL) staff administer the Families and Education Levy. The mission of DEEL is to ensure all Seattle children have the greatest opportunity to succeed in school and in life and to graduate from school ready for college or a career. DEEL 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. DEEL, the Department of Parks and Recreation, and Public Health - Seattle & King County all use levy dollars to implement programs and support levy goals and objectives.

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. DEEL publishes annual reports detailing program targets (adopted by the Levy Oversight Committee) and program results.

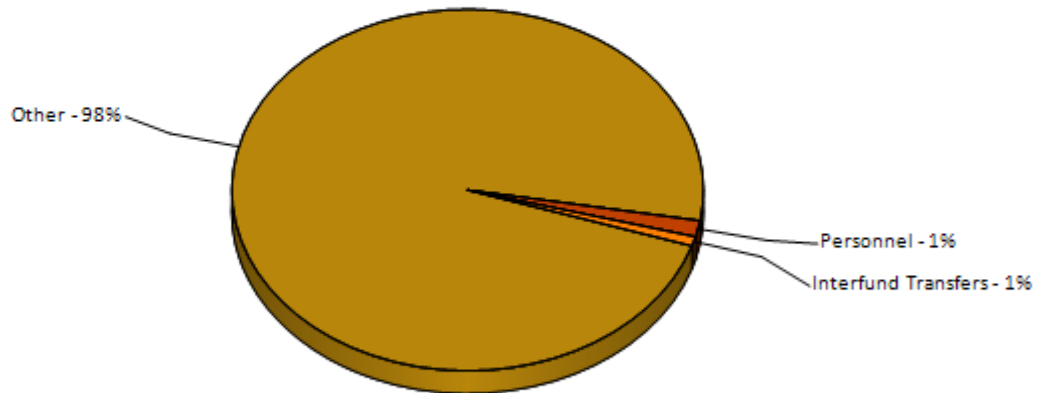
Budget Snapshot

Department Support	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Other Funding - Operating	\$30,829,790	\$38,261,780	\$40,887,050	\$40,887,050
Total Operations	\$30,829,790	\$38,261,780	\$40,887,050	\$40,887,050
Total Appropriations	\$30,829,790	\$38,261,780	\$40,887,050	\$40,887,050
Full-time Equivalent Total*	0.00	0.00	0.00	0.00

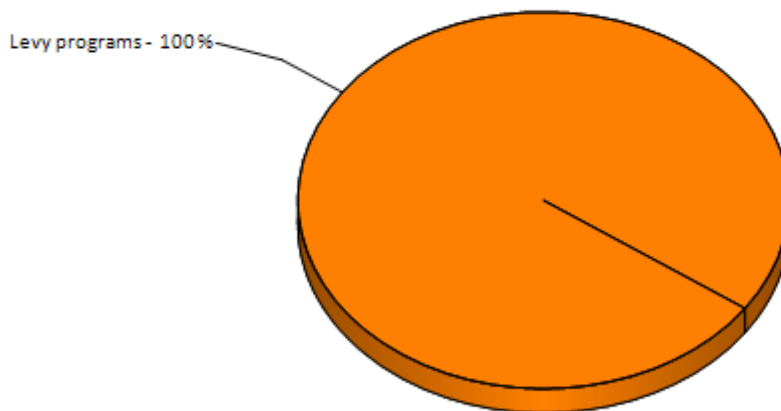
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Education-Support Services Levy

2018 Proposed Budget - Expenditure by Category



2018 Proposed Budget - Revenue by Category



Education-Support Services Levy

Budget Overview

The 2011 Families and Education Levy substantially increases the overall funding available to support children and their families, both in- and out-of-school, 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 levy:

1. **School Readiness and Early Learning**

- In 2017-18 DEEL is serving 373 children in Step Ahead/Pathway with another 326 slots that were converted from Step Ahead to Seattle Preschool Program (SPP), for a total of 699 levy-funded slots. Since 2015, Step Ahead expansion funding has been used to prepare providers for the quality standards of SPP; as of fall 2017, 17 former Step Ahead classrooms have converted to SPP; those same former Step Ahead providers expanded with an additional seven classrooms for a total of 24 classrooms identified from former Step Ahead providers.
- professional development for Step Ahead, Early Childhood Education and Assistance Program, Head Start, Comprehensive Childcare Program, and Family Friend & Neighbor sites;
- health screenings for Step Ahead;
- home visitation for 2-3-year-olds (160 families annually); and
- support for families and children entering kindergarten each year.

2. **Elementary School Academic Achievement** includes funding for:

- extended learning time and out-of-school time at 21 schools in each of the school years, 2017-18 and 2018-19;
- summer learning for up to 1,200 students once the program is fully established (Summer learning will jump from 800 students in 2017 to 1,000 in 2018); and
- family support for both high-risk elementary students and refugee/immigrant and Native American families and 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 four schools, case management for college and career planning for up to 600 students;
- summer learning for up to 1,300 students at full implementation in 2018 (1,000 in 2017); and
- 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 400 students once the program is fully established (the program served 200 students in 2016-17 and 300 in 2017-18); and
- summer learning for up to 500 students.

5. **Student Health** includes funding for:

- school-based health centers (SBHCs) and nursing services at five middle schools and 10 high schools;
- SBHC, nursing, and family engagement services at the Seattle World School;
- SBHC services for students at the Interagency Academy;
- health care, mental health interventions and community referrals for elementary school students at eight sites;
- a quality control system for mental health providers; and
- oral health services for 10 schools.

6. **Administration and Evaluation**

The levy provides funding for staff in the Department of Education and Early Learning to provide the same level of oversight, administration, and strategic guidance for levy-funded programs throughout the life of the levy. These staff members are responsible for building strong partnerships with Seattle Public Schools, community funders, and community providers to ensure successful program development and

Education-Support Services Levy

implementation. As part of this program, the levy funds ongoing research and evaluation, and staff use this data to make continuous program improvements. This provides a strong accountability structure for levy programs, including a data-sharing agreement with Seattle Public Schools 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 mirror these program areas.

The 2018 Proposed Budget offers no changes from the 2018 Endorsed Budget. The 2018 Proposed Budget reflects the level of expenditure described in the 2011 Families and Education Levy financial plan approved by the City Council in [Ordinance 123567](#). Although the overall expenditure levels will remain according to the adopted financial plan, there will be minor shifts in the expenditure levels by Budget Control Levels (BCLs) in preparation for the upcoming conversion of the 2018 Adopted Budget for Summit Re-Implementation (SRI). SRI is a Citywide software update and centralization of the City's Summit accounting system that will begin in January 2018.

The 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. In addition, from 2012 to 2018, the Levy fund was originally expected to earn \$4.9 million from interest earnings on its fund balance, resulting in a combined total revenue estimate of \$236 million.

The levy implementation plan expands program service delivery levels during each successive year to include a growing number of schools and children. Due to the limitation 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 appropriated less than the revenues collected in the early years and held those funds in reserve within the City's Education - Support Services Fund (displayed at the end of this section). Those reserves are used to fund higher program and administration expenses in the final years of implementation. The first year in which levy spending has exceeded revenues collected in the same year was 2016. All appropriated funds are also appropriated through the Department of Education and Early Learning (DEEL) operating fund. DEEL administers all levy appropriations.

Incremental Budget Changes

Education-Support Services Levy

	2018 Budget	FTE
Total 2018 Endorsed Budget	\$ 40,887,050	0.00
Baseline Changes		
Technical Health Care Change	\$ 0	0.00
Total Incremental Changes	\$ 0	0.00
2018 Proposed Budget	\$ 40,887,050	0.00

Education-Support Services Levy

Descriptions of Incremental Budget Changes

Baseline Changes

Technical Health Care Change

This is a net-zero transfer in funding to cover the health care rate increase from the 2018 Endorsed Budget to the 2018 Proposed Budget.

Expenditure Overview

Appropriations	Summit Code	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
2011 Families and Education Levy					
Administration and Evaluation Budget Control Level	IL702	1,555,911	1,580,113	1,613,236	1,613,236
Early Learning and School Readiness Budget Control Level	IL102	7,947,569	10,173,386	11,084,099	11,084,099
Elementary School Academic Achievement Budget Control Level	IL202	6,351,660	9,484,236	10,383,279	10,383,279
High School Academic Achievement and College/Career Preparation Budget Control Level	IL402	2,819,947	3,182,517	3,425,815	3,425,815
Middle School Academic Achievement and College/Career Preparation Budget Control Level	IL302	5,696,551	7,184,799	7,564,130	7,564,130
Student Health Budget Control Level	IL502	6,458,152	6,656,729	6,816,491	6,816,491
Department Total		30,829,790	38,261,780	40,887,050	40,887,050
Department Full-time Equivalents 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 Human Resources Director actions outside of the budget process may not be detailed here.

Education-Support Services Levy

Revenue Overview

2018 Estimated Revenues

Summit Code	Source	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
	Interest Earnings	810,377	811,131	663,642	663,642
	Taxes, Levies, & Bonds	33,249,649	33,597,548	33,934,150	33,934,150
	Unrealized Gains (Losses)	-281,705	0	0	0
	Total Levy programs	33,778,321	34,408,679	34,597,792	34,597,792
	Total Revenues	33,778,321	34,408,679	34,597,792	34,597,792
371000	Use of (Contribution to) Fund Balance	-2,948,531	3,853,101	6,289,258	6,289,258
	Total Levy programs	-2,948,531	3,853,101	6,289,258	6,289,258
	Total Resources	30,829,790	38,261,780	40,887,050	40,887,050

Appropriations By Budget Control Level (BCL) and Program

Administration and Evaluation Budget Control Level

The purpose of the Administration Budget Control is to monitor that funds are used 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.

	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Program Expenditures				
Administration and Evaluation	1,555,911	1,580,113	1,613,236	1,613,236
Total	1,555,911	1,580,113	1,613,236	1,613,236

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.

	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Program Expenditures				
Early Learning and School Readiness	7,947,569	10,173,386	11,084,099	11,084,099
Total	7,947,569	10,173,386	11,084,099	11,084,099

Education-Support Services Levy

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.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Elementary School Academic Achievement	6,351,660	9,484,236	10,383,279	10,383,279
Total	6,351,660	9,484,236	10,383,279	10,383,279

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.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
High School Academic Achievement and College/Career Preparation	2,819,947	3,182,517	3,425,815	3,425,815
Total	2,819,947	3,182,517	3,425,815	3,425,815

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.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Middle School Academic Achievement and College/Career Preparation	5,696,551	7,184,799	7,564,130	7,564,130
Total	5,696,551	7,184,799	7,564,130	7,564,130

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.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Student Health	6,458,152	6,656,729	6,816,491	6,816,491
Total	6,458,152	6,656,729	6,816,491	6,816,491

Education-Support Services Levy

Education Levy Fund Table

2011 Families and Education Levy (17857)

	2016 Actuals	2017 Adopted	2017 Revised	2018 Endorsed	2018 Proposed
Beginning Fund Balance	50,224,991	49,308,245	52,383,056	45,455,144	48,529,955
Accounting and Technical Adjustments	-790,466	0	0	0	0
Plus: Actual and Estimated Revenues	33,778,321	34,408,679	34,408,679	34,597,792	34,597,792
Less: Actual and Budgeted Expenditures	30,829,790	38,261,780	38,261,780	40,887,050	40,887,050
Ending Fund Balance	52,383,056	45,455,144	48,529,955	39,165,886	42,240,697
Reserve Against Fund Balance	52,383,056	45,455,144	48,529,955	39,165,886	42,240,697
Total Reserves	52,383,056	45,455,144	48,529,955	39,165,886	42,240,697
Ending Unreserved Fund Balance	0	0	0	0	0

Human Services Department

Catherine Lester, Director

(206) 386-1001

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

Department Overview

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

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

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

HSD's work is funded by a variety of revenue sources, including federal, state and inter-local grants, and the City's General Fund. General Fund contributions leverage significant grant revenues to benefit Seattle residents. As a result, external grants represent approximately 43% of HSD's revenue, while General Fund represents 57%.

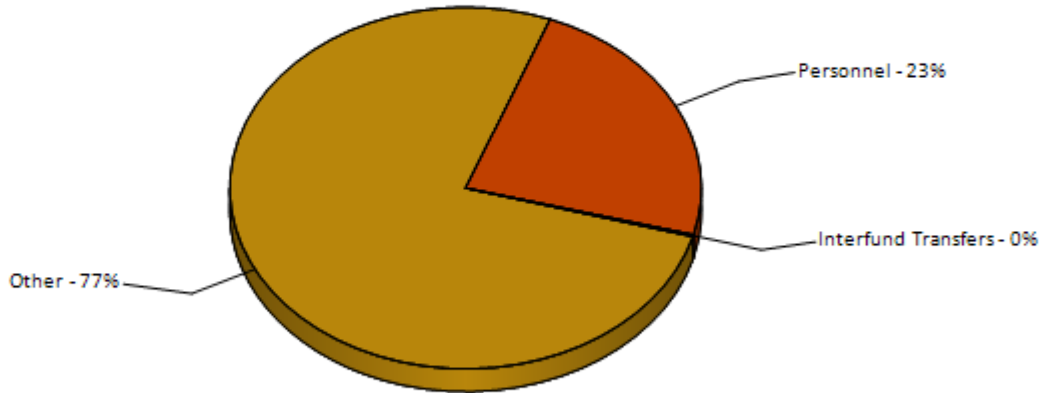
Budget Snapshot

Department Support	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
General Fund Support	\$80,861,241	\$90,579,794	\$88,313,241	\$95,479,510
Other Funding - Operating	\$67,084,953	\$67,878,352	\$66,095,816	\$72,783,876
Total Operations	\$147,946,194	\$158,458,146	\$154,409,057	\$168,263,386
Total Appropriations	\$147,946,194	\$158,458,146	\$154,409,057	\$168,263,386
Full-time Equivalent Total*	331.60	328.00	325.00	355.75

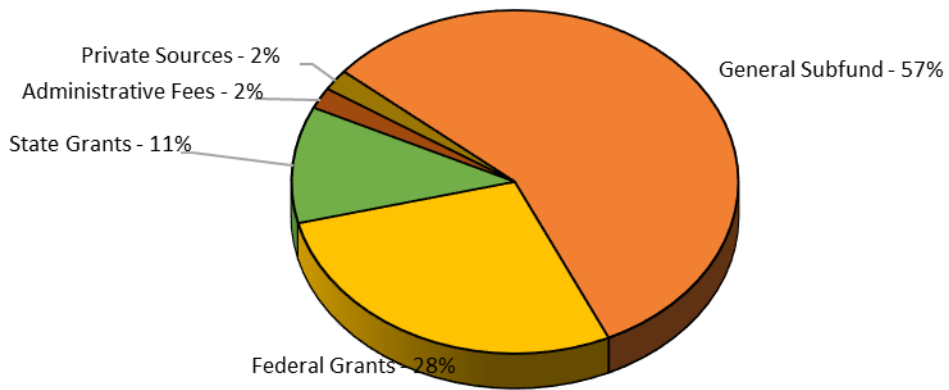
* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

Human Services Department

2018 Proposed Budget - Expenditure by Category



2018 Proposed Budget - Revenue by Category



Human Services Department

Budget Overview

The 2018 Proposed Budget for the Human Services Department (HSD) continues investments made with one-time funding in 2017 and adds strategic new investments, increasing support in key program areas such as:

- homelessness;
- food access;
- case management for aging and disabled individuals;
- community facilities; and
- compliance and performance management.

Homelessness Policy Framework and System Transformation

The City's Pathways Home Plan, launched in late 2016, provides a policy framework and roadmap to transform the City of Seattle's homelessness response by:

- creating a person-centered homeless crisis response system that is based on the principles of housing first and progressive engagement and that prioritizes households experiencing literal homelessness;
- investing in models demonstrating success in exits to permanent housing, using competitive funding processes, performance-based contracting and data-driven decision making;
- addressing racial disparities using results-based accountability and analysis of outcomes by race;
- improving investment alignment within the City of Seattle and with external partners;
- improving HSD procedures to result in routine, competitive funding processes that are focused on outcomes-driven and performance-based contracts; and
- investing in data and evaluation capacity that is necessary to support systemic transformation.

In 2017, HSD has made significant progress in building the foundation of a person-centered crisis response system. The department stood up three impact teams for families, youth and single adults. Through August of 2017, the impact teams have assessed the specific needs of 312 families, 272 youth and young adults, as well as 138 single adults. As part of the Long-Term Shelter Stayer initiative, HSD has been able to permanently house 22 individuals, some of whom had been living in shelters for more than a decade. The shelter system capacity freed by housing these individuals is comparable to opening a new 75-bed shelter.

The department also undertook a review of shelter and sanctioned encampment performance that revealed locations with 24-hour access, case management and supportive services were more effective at moving people into permanent housing. This type of data-driven decision is informing HSD's \$30 million Request for Proposal (RFP) on homelessness investments, giving funding priority to proposals for enhanced shelters with extended hours and services including case management, meals, laundry and hygiene facilities, and other supportive services. Contracts from this competitive funding process will begin in January 2018.

Sustained and Integrated Citywide Response for Individuals Living Unsheltered

To address concerns from human service advocates and individuals experiencing homelessness, business districts, and neighborhoods, the City convened the Task Force on Unsanctioned Encampment Protocols in late 2016 to evaluate the City's response to the growing number of individuals living unsheltered. The task force made a series of recommendations to modify how departments engage with individuals living in encampments. In February 2017, the City opened the Emergency Operations Center and convened City departments to speed implementation of these recommendations and create a focused, integrated and sustainable Citywide response.

The 2018 Proposed Budget provides funding for this response in several City departments, focused around three key areas:

1. creating safer places for individuals living unsheltered;

Human Services Department

2. connecting individuals living unsheltered with services; and
3. reducing the impact of living unsheltered on individuals and the surrounding environment.

Additional funding in the 2018 Proposed Budget related to this Citywide response is part of a single program implemented by multiple departments. For additional information, see the 2018 Proposed Budget Executive Summary in the Introduction section of this proposed budget.

Creating Safer Places for Individuals Living Unsheltered

Best practices outlined by the United States Interagency Council on Homelessness (USICH), and confirmed by individuals participating in the 2016 Homeless Needs Assessment, identify the need to move away from overnight-only shelter programs, particularly those with significant barriers for entry. Effective low-barrier shelter programs provide predictable, 24-hour access, allow storage of personal belongings and offer a variety of services, including referrals to permanent housing. For many, living in unsanctioned encampments can be preferable to shelter programs that require them to stand in line for entry or that separate them from relatives, partners, friends, chosen family, pets, or possessions. The taskforce urged the City to create meaningful offers of shelter for individuals needing to relocate because of public safety or public health risks.

As part of the citywide effort to create additional safe places to stay for individuals living unsheltered, HSD launched two new shelters in 2017: a 100-bed, 24-hour, low-barrier shelter on First Hill and a 75-bed, 24-hour, low-barrier Navigation Center. Both new shelters provide services such as case management and meal programs. In addition, the City supported three more sanctioned encampments with the capacity to provide safer spaces for up to 210 people. With better shelter and authorized encampment options available, the Navigation Team is seeing improved acceptance rates from people living unsheltered. The 2018 Proposed Budget provides ongoing funding for these efforts, replacing one-time money added in the 2017 Adopted Budget. The proposed budget also expands funding for case management at existing sanctioned encampments. An encampment evaluation performed in 2017, showed that locations with case management were more effective in preparing and moving individuals into permanent housing.

In the City's 2016 Homeless Needs Assessment, 37% of surveyed individuals reported the inability to pay rent, either through loss of job or through rent increases, as the event that directly led to their current episode of homelessness. As part of the City's integrated and sustained response, the Office of Housing and the Human Services Department led an effort between King County, the City of Seattle, All Home, and United Way of King County to redesign the County's Landlord Liaison Program into the Housing Resource Center. The Housing Resource Center is designed to increase the number private market and affordable units that are made available to homeless service agencies whose clients are seeking housing. The 2018 Proposed Budget includes funding to help increase access to permanent housing by adding new resources to staff the Housing Resource Center program and risk mitigation funds to help attract property owners willing to accept referrals of tenants with barriers such as eviction history and poor credit.

Connecting Individuals Living Unsheltered with Services

Research findings indicate assertive outreach to individuals living unsheltered increases participation in services. Reports from USICH further support these academic findings. USICH identifies the need to perform "intensive and persistent outreach" as the critical front door to the homeless response system and recommends outreach efforts to people living in encampments include the following strategies:

- identification of members of an encampment by name and tailoring interventions to their individual needs;
- a consistent presence so that relationships can be formed over time; and
- ability to refer individuals directly into interim options, such as sanctioned encampments or emergency shelter, that are available and provide a clear path toward permanent housing.

The task force recommended the City increase its outreach efforts. To inform development of an expanded

Human Services Department

response, staff held discussions with seven jurisdictions regarded as making substantial progress in the areas of homelessness, supportive housing, behavioral health, and low-level, persistent offending. Every jurisdiction had a version of a homeless outreach team involving their police department. The most successful teams were multidisciplinary, had special training in working with people experiencing homelessness, possessed deep knowledge of the homeless service system and could access shelter or interim housing options in real time.

Informed by this research, and in conjunction with the implementation of Pathways Home, HSD, Seattle Police Department (SPD) and Department of Finance and Administrative Services (FAS) have completely reimagined the City's outreach to unsheltered individuals – from the composition of the team to the way success is defined and measured. The Navigation Team is a multidisciplinary team designed to bring citywide outreach engagement under a single, unified organizational structure. The team is comprised of specially-trained SPD officers, an outreach coordinator, an encampment response manager, field coordinators, and contracted outreach providers. These groups work together in the field as a single team to offer individualized services and alternative living spaces to individuals experiencing homelessness. In pulling together these historically independent bodies of work, the City anticipates increased collaboration and coordination resulting in expanded and more effective outreach capacity to meet the needs of people living unsheltered. The 2018 Proposed Budget includes ongoing support for contracted outreach providers originally funded with one-time money in the 2017 Adopted Budget.

The 2018 Proposed Budget also adds new resources to improve information and performance management for the City's homeless response system. The proposed budget provides funding to implement Homeless Management Information System (HMIS) scan cards which will, for a small investment, significantly decrease the burden on people using homeless services to provide information and decrease the burden on agencies to enter duplicative data while significantly increasing efficiencies in the homeless service delivery system by ensuring data quality. This strategy—approved by the U.S. Department of Housing and Urban Development—meets all necessary privacy requirements and is used in homeless response systems nationwide. The proposed budget also includes funding for two Senior Management System Analyst (MSA) FTEs to increase analytical capability in HSD's Data Team. The homelessness response system's capacity to provide meaningful offers of shelter to individuals contacted by the Navigation Team relies on HSD's ability to assess real-time availability of shelter options and manage provider outcomes using data.

Reducing the Impact of Living Unsheltered on Individuals and the Surrounding Environment

The nearly 4,000 people living outdoors in the city generate a significant public health problem from garbage and human waste for both people living unsheltered and the surrounding community. Individuals sometimes put themselves in imminent danger by choosing perilous locations to camp, such as freeway off ramps or ledges. Unauthorized encampments often show signs of rodent infestation, and the lack of sanitation facilities leads to accumulation of human waste and potential spread of disease. The City of Seattle has also seen an increase in complaints about trash, needles and illegal dumping on public property. This increase is attributable not only to unauthorized encampment residents who have limited means to remove garbage, but also to people who are housed and who may find it acceptable to illegally dump unwanted items near encampments or the public right-of-way. Over the past year, the City has also responded to multiple RV fires and propane tank explosions under critical roadways.

Through the Emergency Operations Center (EOC) process, HSD, SPD, FAS and the Department of Parks and Recreation (DPR) identified the need for dedicated, consistent resources and a unified citywide structure to adequately address public safety and public health risks for the community and to minimize safety risks for individuals living in encampments. In an October 2016 letter to the City Council, the Executive articulated the policy perspective that, “[the] City should not displace encampments that do not pose an imminent health or safety risk or do not unlawfully obstruct a public use unless outreach workers are able to offer individuals living there a safer alternative place to live.” The Navigation Team ensures the needs of people living unsheltered are placed front and center when the City addresses public health and safety issues in an encampment, providing appropriate notice, adequate outreach, offers for safer alternative sites and management—potentially storage—

Human Services Department

of possessions consistent with the City's [Multi-Departmental Administrative Rules \(MDAR\) 17-01](#).

Under the newly created Emergency Homelessness Response program, the FAS Encampment Response Manager receives and assesses information from the City's Customer Service Bureau (CSB) about locations that might warrant Navigation Team services; directs site coordinators to assess conditions at encampment locations; prioritizes high-risk locations; schedules the Navigation Team's outreach efforts in partnership with the FAS Outreach Coordinator; and provides logistical support and oversight for remediating public safety and public health concerns at encampment sites. The goal of this program is to move unsheltered individuals to safe living alternatives, prioritizing the most hazardous encampments, in order to improve the health and safety of encampment occupants and the community surrounding encampments. Two dedicated crews in DPR will perform site remediation. This unified structure ensures:

- The City's encampment response is managed by a single agency.
- Sites are prioritized for cleanup to address the most severe individual safety, public safety or public health conditions.
- Individuals living in affected encampments receive adequate outreach and are offered a safer alternative location.
- Individuals living in encampments will interact with a consistent, well-trained group of City staff who are well-versed in crisis intervention as well as the City's MDARs.
- The City is able to direct encampment-cleanup resources at the appropriate staff level to the locations where they are most needed.

Demand for public accountability and community conversations has increased significantly due to challenges with siting sanctioned encampments and shelters as well as rebidding homelessness investments. HSD's 2018 Proposed Budget includes funding for one Strategic Advisor 2 FTE to manage homelessness program communications and community engagement. The work includes media communications and citywide coordination of community engagement for the City's homelessness response efforts.

Develop Vehicular Living Response

The City's existing Navigation Team and authorized encampments resources are focused on helping the most vulnerable individuals, those without any shelter and those living in hazardous unauthorized encampments. Yet, the data available from Count Us In 2017 shows that over 1,500 people, 40% of unsheltered individuals living in the City, are living in a vehicle of some kind. The number of people living in their vehicles has increased significantly over time and has traditionally been underserved by the City's outreach efforts. The 2018 Proposed Budget provides funding to add a second Navigation Team to specifically target individuals who are living in vehicles. In order to craft the appropriate service package for this new Navigation team to offer, the City must better understand the needs of people living in vehicles. The 2018 Proposed Budget includes funds to conduct a needs assessment to identify programs and services most likely to help individuals living in their vehicles find permanent housing. Based on the outcomes of the needs assessment, this funding will provide programs and services such as increased capacity in our authorized encampment network, case management services, diversion funds and rapid rehousing dollars

Expand Access to Affordable and Healthy Food

Adopted in 2013, the Seattle Food Action Plan identifies 40 actions needed to create a resilient, equitable, and prosperous food system. One of the plan's primary goals is to ensure all Seattleites, regardless of income, have enough to eat and access to affordable, local, healthy, sustainable, culturally appropriate food. The 2018 Proposed Budget provides funding, under proviso, to expand 4 existing food programs using Sugar Sweetened Beverage Tax revenue. This includes doubling the number of children served through the Fresh Bucks to Go program, funding a 40% increase in the number of children served through the Farm to Table Program, expanding funding for food banks and meals programs as well as creating a year-round summer and after school meal program. For additional information about the City's use of the Sweetened Beverage Tax, see the 2018 Proposed

Human Services Department

Budget Executive Summary in the Introduction section of the budget.

Age Friendly Seattle Office

By 2040, 25% of King County residents will be over age 60. Seattle has seen significant growth in the older adult population showing a 24% increase from 2000-2013. In July 2016, Seattle joined the AARP Network of Age-Friendly Communities, an affiliate of the World Health Organization's Global Network of Age-Friendly Cities and Communities. The network provides a framework that guides communities to make improvements in specific areas that influence the health and quality of life for our city's older residents and aims to help the region support the positive contributions of older adults. This initiative outlines "The 8 Domains of Livability:"

- Outdoor Spaces and Buildings
- Transportation
- Housing
- Social Participation
- Respect and Social Inclusion
- Civic Participation and Employment
- Communication and Information
- Community and Health Services

In March of 2017, the City announced a series of age-friendly initiatives to address environmental, economic, and social factors influencing the health and well-being of older adults, with a goal of increasing social participation, racial equity and awareness of issues older adults face daily. During 2017 the City began developing goals and indicators around departmental initiatives that consider aging adults. Several specific early action items for 2017 include:

- signing a memorandum of understanding (MOU) with the King County Department of Assessments to increase enrollments in the City's Utility Discount Program and the state's Property Tax Exemption/Referral Program to help older adults to stay in their homes. The goal is to double the number of seniors enrolled in both programs;
- in a partnership with King County Metro, increasing usage of the Regional Reduced Fare Permit, a reduced fare program by older adults by streamlining the application process; and
- improving the pedestrian environment by assessing sidewalks with the involvement of seniors, implementing walkability audits, promoting transportation options for older adults, and incorporating age-friendly criteria into the Pedestrian Master Plan for 2018-2022.

In 2018, HSD proposes to restructure the Mayor's Office for Senior Citizens (MOSC) into an Age Friendly Seattle Office, changing the way it delivers services to older adults. The Age Friendly Seattle Office will bring focus to the Age Friendly Initiative by coordinating with all other City departments in making Seattle a better place to grow up and grow old. Through the Age Friendly Seattle Office, HSD will shift its investments from small-scale direct services with limited impact to a business unit that can lead broad-scale system change, leading implementation, oversight and evaluation of an action plan to achieve the following goals:

- increase racial equity; reduce displacement;
- increase social participation; and
- raise awareness about the challenges and opportunities that accompany Seattle's aging population.

Increase Staffing for Expansion of Grant-Funded Services

HSD's Medicaid TXIX Case Management program provides long-term service and support to assist more than 11,000 low-income, functionally disabled adults remain in their own homes. Due to continued program growth, the 2018 Proposed Budget adds a grant-funded Manager 2 position in Aging and Disability Services to oversee the Seattle case management office, providing additional management structure to support

Human Services Department

this large, direct service program. The proposed budget also includes an additional Counselor FTE to manage new client caseload in 2018.

The Medicaid Transformation Demonstration Project (MTD) is a five-year pilot program that provides support to caregivers of low-income adults over the age of 55 with functional disabilities. The goal is to reach and support caregivers thereby preventing or delaying their loved one's need for more intensive and expensive services. Over the next three years, HSD will provide services for an expected 2,200 new clients in King County. This action adds four Counselor FTEs to support anticipated 2018 caseload for MTD.

The Health Home program provides intensive care coordination to high-need individuals resulting in improved health outcomes and a reduction in Medicaid and Medicare service costs. HSD Care Coordinators (Counselors) work directly with clients to develop a Health Action Plan and ensure needed health activities are completed by the client. The 2018 Proposed Budget adds one Human Services Supervisor to oversee program operations and manage relationships with Health Home agencies.

Increase Capacity to Effectively Manage Grants and Contracts

The Human Services Department is one of the region's largest granting agencies, funding more than \$120 million a year in human service programs delivered through hundreds of community organizations. Every year, HSD executes more than 500 contracts, monitoring each for compliance with city, county, state and federal regulations as well for contractual performance requirements. Since 2012, HSD has seen its funding from City and grant revenues, grow by more than 35% with only a 3% change in staffing. Even modest funding increases for program expansion typically require outcome planning, the development and execution of a competitive request for proposal (RFP), as well as contract development and execution for successful applicants. Further, in advancing City objectives around geographic equity and culturally appropriate services, these modest increases are rarely awarded to a single provider, but rather to many organizations. Also of note, HSD receives more than \$60 million per year from grantors, representing 40% of the department's annual funding. Failure to ensure providers meet grantors' regulatory and outcome requirements places future grant funding at risk. The 2018 Proposed Budget adds two additional FTE and reclassifies another to provide additional staff capacity to manage this growth.

Anticipated Funding from King County's Vets, Seniors and Human Services Levy

The 2018 Proposed Budget anticipates funding from King County to support ongoing operations at the City's new Navigation Center, provide additional funding for the Mobile Medical Van as well as provide funding for expanded outreach to individuals living unsheltered. A portion of this funding is contingent upon voter approval of the King County Veterans, Seniors and Human Services Levy. If the levy measure fails, the City and County will evaluate other funding strategies.

Budget Performance Measures

The Human Services Department (HSD) participated in the Budget Performance Measures pilot. This pilot explores use of the annual budget book to discuss and display performance measures and related financial information for City departments. A more in-depth description of this pilot and its objectives can be found in the Budget Performance Measures section in the 2018 Proposed Budget introduction.

As part of this project, HSD worked with the City Budget Office to:

1. identify and present service area workload performance measures;
2. present actual and estimated achievements for each measure; and
3. present specific budgetary appropriations and position authorities associated with each measure, as appropriate.

The Budget Performance Measures section in the 2018 Proposed Budget introduction contains detailed

Human Services Department

descriptions of the HSD's performance measures, including:

1. Addressing gender-based violence
2. Emergency meals to persons and families without sufficient resources
3. Provide shelter and access to housing options for homeless persons and families
4. Older adults improve their health through senior center participation
5. Provide youth and young adults with meaningful employment opportunities

Incremental Budget Changes

Human Services Department

	2018 Budget	FTE
Total 2018 Endorsed Budget	\$ 154,409,057	325.00
Baseline Changes		
Finalize Creation of the Homeless Strategy and Investment Division	\$ 0	0.00
Citywide Adjustments for Standard Cost Changes	\$ 495,031	0.00
Adjustments for One-Time Adds or Reductions	\$ 0	0.00
Technical Adjustments	\$ 0	0.00
Minimum Wage Mitigation Corrections	\$ 0	0.00
Proposed Changes		
Create Safer Places for People Living Unsheltered	\$ 3,083,200	4.00
Connect People Living Unsheltered with Services	\$ 833,524	1.00
Reduce Impact of Living Unsheltered	\$ 150,556	0.00
Develop Vehicular Living Response	\$ 800,000	0.00
Expand Access to Healthy and Affordable Food	\$ 1,385,639	3.25
Age Friendly Seattle Initiative	\$ 0	0.50
Increase Capacity to Effectively Manage Grants and Contracts	\$ 257,711	2.00
Increase Staffing for Expansion of Grant-Funded Services	\$ 0	7.00
Support Community Facilities	\$ 3,500,000	0.00
Technical Adjustments	\$ 3,348,668	13.00
Total Incremental Changes	\$ 13,854,329	30.75
2018 Proposed Budget	\$ 168,263,386	355.75

Human Services Department

Descriptions of Incremental Budget Changes

Baseline Changes

Finalize Creation of the Homeless Strategy and Investment Division

To facilitate implementation of the Pathways Home initiative and allow for a more streamlined focus on homelessness, the Human Services Department created a new Division of Homeless Strategy and Investment (HSI) as part of the 2017 Adopted and 2018 Endorsed Budget. However, after the conclusion of the budget process, additional changes were needed in order to finalize the establishment of the HSI division. This adjustment reflects the net-zero shift of budget authority for contracts and responsibilities moving between the Homeless Strategy and Investments BCL and the Youth and Family Empowerment BCL, Leadership and Administration BCL and Aging and Disability Services BCL.

Citywide Adjustments for Standard Cost Changes - \$495,031

Citywide technical adjustments made in the baseline phase reflect changes to internal services costs, health care, and industrial insurance charges for the department. These adjustments reflect initial assumptions about these costs and inflators early in the budget process.

Adjustments for One-Time Adds or Reductions

This item includes a one-time budget neutral transfer of \$57,884 between HSD divisions to rebalance rent allocation in the Central Building after floor consolidation. This adjustment also includes a reduction in HSD's Leadership and Administration Budget Control Level to subsidize Central Building rent increase.

Technical Adjustments

This technical adjustment makes budget neutral corrections to the budget errata. The technical adjustment transfers \$76,000 within HSD to the Mayor's Office on Domestic Violence and Sexual Assault.

Minimum Wage Mitigation Corrections

The 2017 Adopted and 2018 Endorsed Budget restored funding for minimum wage mitigation for human services providers. This is a budget neutral adjustment to correct the minimum wage allocations among HSD's divisions.

Proposed Changes

Create Safer Places for People Living Unsheltered - \$3,083,200/4.00 FTE

This action provides ongoing funding for three sanctioned encampments created during the 2017 citywide effort to increase additional safe places for individuals living unsheltered. These locations were funded with one-time resources provided in the 2017 Adopted Budget. This action also fully funds a 100-bed, 24-hour, low-barrier shelter on First Hill that received one-time resources in the 2017 Adopted Budget. In addition, the 2018 Proposed Budget expands funding for case management at existing sanctioned encampments. Research conducted in 2017 found that locations with case management were more effective in preparing and moving individuals into permanent housing.

Human Services Department

City Council 2017 Green Sheet 248-1-A-3 added three positions--with a December 31, 2017 sunset date--to execute the City's interim spending plan for homelessness in 2017--a 1.0 FTE Admin Specialist II, 1.0 FTE Grants and Contracts Specialist, Sr., and 1.0 FTE Planning and Development Specialist II. The 2018 Proposed Budget removes the sunset date, makes these positions permanent and provides ongoing funding to ensure HSD has adequate capacity to implement annual contracts, provide technical assistance to community based organizations, increase contract monitoring and improve performance administration of homeless services contracts.

The 2018 Proposed Budget also includes funding for 1.0 Management Systems Analyst (MSA) to act as the Coordinated Entry Efficiency Coordinator within the King County Coordinated Entry team at the Department of Community and Human Services (DCHS). This position was hired on a temporary basis through 12/31/17 to improve the efficient operations of the King County Coordinated Entry for All (CEA) system. The position provides weekly oversight of the Impact Team Calls, supports the CEA Program Manager in housing inventory activities and communicates with people experiencing homelessness to ensure accurate placement in the CEA queue.

This action also includes resources for the new Housing Resource Center program designed to increase the number of private market and affordable units available to homeless service agencies. The 2018 proposed budget includes funding to operate the program as well as risk mitigation funds to help attract property owners willing to accept referrals for tenants with barriers such as eviction history and poor credit.

Connect People Living Unsheltered with Services - \$833,524/1.00 FTE

In 2017, the City's reviewed and revised its policies regarding responses to individuals living in unsanctioned encampments. Still obligated to respond to sites that pose an imminent health or safety risk or unlawfully obstruct a public use, the City now links this critical work with outreach and an offer of a safer alternative place to live. This outreach is performed by the Navigation Team, a multidisciplinary team designed to bring citywide outreach engagement under a single, unified organizational structure. The team is comprised of specially-trained SPD officers, an outreach coordinator, an encampment response manager, field coordinators, and contracted outreach providers. These groups work together in the field as a single team to offer individualized services and alternative living spaces to individuals experiencing homelessness.

This action provides ongoing funding for expanded outreach supported with one-time resources in the 2017 Adopted Budget. In addition, it provides resources to complete funding for the HMIS scan card initiative. For a small investment, these cards significantly decrease the burden on people using homeless services to provide information, decrease the burden on agencies to enter duplicative data and ensure data quality. This strategy—approved by Housing and Urban Development—meets all necessary privacy requirements and is used in homeless response systems nationwide.

This action also increases analytical capability in HSD's Data Team by reclassifying an 0.5 FTE Admin Spec II position and an 0.5 FTE Finance Analyst, Sr. position into two 1.0 FTE Management System Analyst (MSA) positions. The 2018 Proposed Budget provides ongoing resources for these two previously unfunded positions. The homelessness response system's capacity to provide meaningful offers of shelter to individuals contacted by the Navigation Team also relies on HSD's ability to assess real-time availability of shelter options and manage provider outcomes using data.

Reduce Impact of Living Unsheltered - \$150,556

The nearly 4,000 people living outdoors in the city generates a significant public health problem from garbage and human waste for both people living unsheltered and the surrounding community. In addition, large unauthorized encampments can attract criminal behavior that victimizes the already vulnerable homeless individuals and the

Human Services Department

surrounding community. Through the Emergency Operations Center (EOC) activation, HSD, SPD, FAS, Seattle Public Utilities (SPU) and the Department of Parks and Recreation (DPR) identified the need for a unified citywide structure and dedicated, consistent resources to adequately address the public safety and public health issues associated with the homeless crisis.

This action includes funding for one Strategic Advisor 2 to manage homelessness program communications and community engagement. The work includes media communications and citywide coordination of community engagement for the City's homelessness response efforts. The 2018 Proposed Budget for HSD includes nearly \$62 million in funding to respond to the homeless crisis. The demand for public accountability and community conversations has increased significantly due to the scale of the crisis and the financial resources required to address it, as well as due to challenges with siting encampments and shelters. This position will provide critical support to HSD, allowing the City to be responsive to the growing number of media inquiries and ensuring the community receives appropriate and timely opportunities to engage with the City on its response to the crisis.

Develop Vehicular Living Response - \$800,000

The 2018 Proposed Budget provides funding for a second Navigation Team to specifically target individuals living in vehicles and provide the resources they need to access permanent housing. In order to craft the appropriate service package for the new Navigation team to offer, the City must better understand the needs of people living in vehicles. Therefore, a portion of this funding will be used to conduct a needs assessment to identify programs and services most likely to help individuals living in their vehicles find permanent housing. Based on the outcome of the needs assessment, the proposed funding will be directed toward program and services such as increased capacity in our authorized encampment network, case management services, diversion and/or rapid rehousing funds.

Expand Access to Healthy and Affordable Food - \$1,385,639/3.25 FTE

This action provides additional funding for four existing food programs using Sweetened Beverage Tax revenue. Of the appropriations in the 2018 Budget for the Human Services Department's (HSD's) Youth and Family Empowerment Budget Control Level, \$1,385,639 is appropriated solely for expanding access to healthy and affordable food. Furthermore, none of the money so appropriated may be spent until the Sweetened Beverage Tax Community Advisory Committee sends its recommendations to the Mayor and to Council.

In 2017, the Farm to Table Program provided food stipends and nutritional education to programs serving approximately 1,800 children. This action will allow HSD to serve an additional 1,050 children through new Seattle Preschool Program sites, family child care providers and other community-based locations. The action also includes 1.25 FTE to manage and monitor new contracts, provide technical assistance, and plan, develop and coordinate the expanded program.

The 2017 Fresh Bucks to Go (FBtG) pilot program provides families free or low-cost fresh food bags of local fruit and vegetables every other week at preschool programs serving low-income families across Seattle. New funding in the 2018 Proposed Budget will allow HSD to make the FBtG program year-round and double the number of participants from 700 to 1,400, by including more preschools and other community-based locations such as family resource centers, community centers and meal programs. The proposed budget also includes one FTE to support this shift to a permanent, expanded, year-round program.

To combat hunger, HSD contracts with agencies to provide food bank and meal programs for low-income individuals, providing groceries and meals for infants, children, seniors and people with special dietary needs, as well as assisting families to retain other food assistance (e.g., SNAP), and other non-emergency food resources. The 2018 Proposed Budget provides additional funding to serve an additional 1,100 participants at food bank and

Human Services Department

meal programs across Seattle.

This action also includes funding to consolidate and expand two existing HSD programs the Summer Food Service Program (SFSP) and the Afterschool Meals Program into a year-round Out-of-School Time Nutrition Program. Contracted agencies and HSD staff will provide year-round food access to vulnerable children and youth ages 1 – 18, when not in school. The proposal includes one FTE to provide outreach, recruitment and training for new program sites; to supervise and train temporary staff who deliver meals; and to provide technical assistance, compliance monitoring and invoice processing for meal sites.

For additional information about the City's use of the Sweetened Beverage Tax, see the 2018 Proposed Budget Executive Summary in the Introduction section of the budget.

Age Friendly Seattle Initiative - .50 FTE

This action reflects a budget neutral restructuring of the current Mayor's Office for Senior Citizens (MOSC) into the Age Friendly Seattle Office.

While the MOSC has played a valuable role in serving older adults, its impact is limited due to staff capacity, organizational structure, and service delivery location. The suite of services, which include employment counseling and referral, computer training for job seekers, job development and resource fairs, information & referral services, and civic engagement events, are currently delivered in greater scale by other community organizations. Age Friendly Seattle presents an opportunity to reduce duplication and shift the focus of these resources from delivering direct services to promoting system change.

The office will lead the Age Friendly Seattle Initiative which includes implementation, oversight and evaluation of an action plan to increase racial equity; reduce displacement; increase social participation; and raise awareness about the challenges and opportunities that accompany Seattle's aging population. The office will:

- have a visible role in coordinating and communicating age-friendly strategies across City departments, and in the broader community – both public and private sectors;
- be responsible for educating and training public-facing City staff to increase their competence and capacity in serving older adults and people of all abilities; and
- promote Age Friendly Seattle through public awareness/media campaigns, community forums and events, and related strategies

Staffing requirements to support the Age Friendly Initiative are different from those needed to support the functions of the MOSC. The current 5.5 FTE MOSC positions will be reclassified to create the following positions:

- A 1.0 FTE Human Services Supervisor will be reclassified to a Strategic Advisor (SA) 1 to act as unit lead, responsible for action plan development, implementation, evaluation and internal coordination; development of local and regional partnerships as well as cross-sector collaborations to leverage resources and expand the reach and scope of age-friendly strategies.
- A 1.0 FTE Program Intake Representative will be reclassified to a Management Systems Analyst (MSA) to act as the data lead, primarily responsible for measuring the progress on age friendly strategies, including development and maintenance of outcome and indicator dashboards.
- Two 1.0 FTE Program Intake Representatives will be reclassified to Human Services Coordinators to coordinate training and education for city staff, provide event planning and coordination, and perform community outreach.
- A 0.5 FTE Volunteer Coordinator will be reclassified to a 1.0 FTE Public Relations Specialist to develop and disseminate promotional materials, generate media, manage social media and overall communication strategy.

Human Services Department

Increase Capacity to Effectively Manage Grants and Contracts - \$257,711/2.00 FTE

The Human Services Department is one of the region's largest granting agencies, funding more than \$120 million a year in human service programs delivered through more than 170 community organizations. Every year, HSD executes hundreds of contracts, monitoring each for compliance with city, county, state and federal regulations as well for contractual performance requirements. Since 2012, HSD has seen its funding from City and grant revenues, grow by more than 35% with only a 3% change in staffing. Even modest funding increases for program expansion typically require outcome planning, the development and execution of a competitive request for proposal (RFP), as well as contract development and execution for successful applicants. Further, in advancing City objectives around geographic equity and culturally appropriate services, these modest increases are rarely awarded to a single provider, but rather to many organizations. The more than \$60 million per year HSD receives from grantors, 40% of the department's annual funding, is at risk if HSD does not ensure providers meet regulatory and outcome requirements. This action adds two additional FTE and reclassifies another to provide additional staff capacity to manage this growth.

Increase Staffing for Expansion of Grant-Funded Services - 7.00 FTE

HSD's Medicaid TXIX Case Management program provides long-term service and support to assist more than 11,000 low-income, functionally disabled adults remain in their own homes. Due to continued program growth, this action adds a Manager 2 position in Aging and Disability Services to oversee the Seattle case management office, providing additional management structure to support this large, direct service program. This action also includes an additional Counselor FTE to manage new client caseload in 2018.

The Medicaid Transformation Demonstration Project (MTD) is a five-year pilot program that provides support to caregivers of low-income adults over the age of 55 with functional disabilities. The goal is to reach and support caregivers thereby preventing or delaying their loved one's need for more intensive and expensive services. Over the next three years, HSD will provide services for an expected 2,200 new clients in King County. This action adds four Counselor FTEs to support anticipated 2018 caseload for MTD.

The Health Home program provides intensive care coordination to high-need individuals resulting in improved health outcomes and a reduction in Medicaid and Medicare service costs. HSD Care Coordinators (Counselors) work directly with clients to develop a Health Action Plan and ensure needed health activities are completed by the client. This action includes one Human Services Supervisor to oversee program operations and manage relationships with Health Home agencies.

Support Community Facilities - \$3,500,000

The Child Care Bonus Program is funded with contributions from developers in return for additional floor area in qualifying buildings in the downtown and South Lake Union areas of the City. The proceeds from these payments are used to expand the supply of affordable child care located in those areas or near transit corridors serving them. In 2017 HSD was given resources to fund a \$2 million commitment to Denise Louie Education Center (DLEC) for their project at Building 9 in Magnuson Park. Delays in finalizing the Building 9 financing plan requires HSD to fund the commitment in 2018. The 2018 Proposed Budget also includes an additional \$1.5 million to meet anticipated requests for projects currently in the pre-development pipeline.

Human Services Department

Technical Adjustments - \$3,348,668/13.00 FTE

This action reflects appropriation changes due to revised local, state and federal grant funding.

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

In the 2017 1st Quarter Supplemental Budget Ordinance, the City accepted two Health Home Grants and a Medicaid Transformation Demonstration Project Grant, adding 13 FTEs in HSD's Aging and Disability Services Division to support this grant-funded work. This action modifies the 2018 Endorsed Budget to include these FTEs and appropriation for the associated expenditures.

In addition, the City Council provided ongoing funding for two HSD items in Finance General during the 2017 Adopted Budget process, subject to proviso. The proviso for both the Community Connections program and the North Seattle Human Services Summit recommendation was lifted and funding was transferred to HSD in the 2017 2nd Quarter Supplemental Budget Ordinance. This adjustment modifies the 2018 Endorsed Budget to include this funding for 2018 in HSD's budget.

Human Services Department

Expenditure Overview

Appropriations	Summit Code	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
CDBG - Human Services Department Budget Control					
Homeless Intervention		4,756,340	3,961,545	3,761,545	3,761,545
Leadership and Corporate Services		78,343	1,047,706	1,047,706	1,047,706
Total	6HSD10	4,834,683	5,009,251	4,809,251	4,809,251

Aging and Disability Services

Aging and Disability Services - Area Agency on Aging Budget Control

Age Friendly Seattle Office		592,610	604,163	620,032	696,870
Healthy Aging		10,622,368	10,669,460	10,814,484	10,704,853
Home-Based Care		24,454,646	24,935,652	26,103,626	28,334,369
Planning and Coordination		3,191,316	3,593,147	3,626,191	3,648,744
Total	H60AD	38,860,940	39,802,422	41,164,333	43,384,836

Leadership and Administration

Leadership and Administration Budget Control

Compliance Unit		0	326,236	333,624	443,457
Data Integrity		1,690,629	1,919,686	1,781,089	1,806,418
Financial Management		3,857,765	3,289,940	3,320,753	3,408,325
Human Resources		893,154	985,677	1,007,218	1,019,570
Leadership		3,242,220	3,435,018	3,507,891	3,976,932
Mayor's Office on Domestic Violence and Sexual Assault Prevention		5,527,605	6,974,740	7,077,522	7,893,344
Total	H50LA	15,211,373	16,931,297	17,028,097	18,548,046

Public Health Services

Public Health Services Budget Control

Alcohol and Other Drugs		1,519,257	1,695,416	1,726,870	1,726,870
Asthma		134,348	141,046	143,811	143,811
Gun Violence Prevention Program		50,000	101,000	102,000	102,000
Health Care Access		430,063	387,816	395,420	395,420
Health Care for the Homeless		1,643,999	1,677,765	1,710,663	1,710,663
HIV/AIDS		925,570	950,887	969,532	969,532
Oral Health		128,126	137,126	139,814	139,814
Primary Care: Medical and Dental		7,160,331	7,541,537	7,685,803	7,685,803
Total	H70PH	11,991,694	12,632,593	12,873,913	12,873,913

Transitional Living and Support

Division of Homeless Strategy and Investment Budget Control

Access to Benefits		7,362	0	0	0
CDBG Administration		4,872,722	2,118,569	70,158	3,569,214

Human Services Department

Emergency and Transitional Services		38,399,872	0	0	0
Homeless Strategy and Investments		6,307,352	54,427,839	50,683,338	55,201,756
Mayor's Office of Domestic Violence and Sexual Assault Prevention		93,814	0	0	0
Total	H30ET	49,681,122	56,546,408	50,753,496	58,770,970
Youth and Family Empowerment					
Youth and Family Empowerment Budget Control					
Access to Benefits		1,976,515	1,919,868	1,948,713	1,667,556
Access to Food and Meals		2,221,019	7,158,596	7,135,564	9,004,536
Family Support		0	0	0	0
Youth Services		23,168,847	18,457,711	18,695,690	19,204,278
Total	H20YF	27,366,381	27,536,175	27,779,967	29,876,370
Department Total		147,946,194	158,458,146	154,409,057	168,263,386
Department Full-time Equivalent Total*		331.60	328.00	325.00	355.75

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

Human Services Department

Revenue Overview

2018 Estimated Revenues

Summit Code	Source	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
433010	US Dept of Housing & Urban Development (HUD) / Community Development Block Grant (CDBG)	4,834,683	5,009,251	4,809,251	4,809,251
431010	US Dept of Housing & Urban Development (HUD) / King County / McKinney Grant	75,000	75,000	75,000	50,000
433010	Qualis Health - CDSMP	5,895	0	0	0
433010	University of Washington / Reduce Disability - Alz Disease	4,460	0	0	0
433010	US Dept of Housing & Urban Development (HUD) / Seattle Housing Authority (SHA) Client Case Management	368,378	368,378	368,378	385,000
433010	WA Dept of Social & Health Services (DSHS) / Administration on Aging (AoA) - Nutritional Services Incentive Program (NSIP)	685,361	638,783	638,783	647,308
433010	WA Dept of Social & Health Services (DSHS) / ADRC Enhanced Options Cnslng	126,067	0	0	0
433010	WA Dept of Social & Health Services (DSHS) / Chronic Disease Self-Mgmt	18,555	0	0	45,079
433010	WA Dept of Social & Health Services (DSHS) / Federal-for Medicare beneficiary outreach and assistance	33,519	32,471	32,471	30,938
433010	WA Dept of Social & Health Services (DSHS) / Health Home Full Life Care	0	0	0	524,817
433010	WA Dept of Social & Health Services (DSHS) / Health Homes Amerigroup	0	0	0	591,815
433010	WA Dept of Social & Health Services (DSHS) / Medicaid Transformation Demonstration	0	0	0	1,057,921
433010	WA Dept of Social & Health Services (DSHS) / Older Americans Act (OAA) - Elder Abuse Prevention	18,375	18,375	18,375	17,886
433010	WA Dept of Social & Health Services (DSHS) / Title III-B - Older Americans Act (OAA) Supportive Services	2,337,767	2,141,487	2,141,487	2,258,212

Human Services Department

433010	WA Dept of Social & Health Services (DSHS) / Title III-C-1 - Older Americans Act (OAA) Congregate meals	1,738,849	2,133,000	2,133,000	1,750,476
433010	WA Dept of Social & Health Services (DSHS) / Title III-C-2 - Older Americans Act (OAA) Home delivered meals	779,061	1,130,634	1,130,634	869,337
433010	WA Dept of Social & Health Services (DSHS) / Title III-D - Older Americans Act (OAA) Health promotion	100,509	100,289	100,289	100,509
433010	WA Dept of Social & Health Services (DSHS) / Title III-E - Older Americans Act (OAA) National Family Caregiver	762,154	760,042	760,042	762,154
433010	WA Dept of Social & Health Services (DSHS) / TITLE VII - One time Elder Ab	5,000	0	0	0
433010	WA Dept of Social & Health Services (DSHS) / Title XIX	126,245	0	0	716,310
433010	WA Dept of Social & Health Services (DSHS) / Title XIX - Medicaid Administrative Claiming	821,978	1,054,859	1,086,505	976,135
433010	WA Dept of Social & Health Services (DSHS) / Title XIX - Medicaid Case Mgmt	8,601,749	9,769,842	10,364,825	9,999,999
433010	WA Dept of Social & Health Services (DSHS) / Title XIX - Medicaid Home Care Worker Orientation for IP	108,890	120,994	133,093	125,000
433010	WA Dept of Social & Health Services (DSHS) / Title XIX - Medicaid Home Care Worker Training Wages	1,112,337	1,277,682	1,405,450	1,277,682
433010	WA Dept of Social & Health Services (DSHS) / Title XIX - Medicaid Nurse Delegation	9,084	10,588	10,694	11,831
433010	WA Dept of Social & Health Services (DSHS) / Title XIX - New Freedom	318,759	407,077	431,868	289,879
433010	WA Dept of Social & Health Services (DSHS) / US Dept of Agriculture (USDA) / Senior Farmers Market Nutrition	5,701	5,701	5,701	5,701
433010	WA Office of Superintendent of Public Instruction (OSPI) / Child and Adult Care Food Program	1,113,527	1,201,650	1,201,650	1,201,650
433010	WA Office of Superintendent of Public Instruction (OSPI) / Summer Food Service Program	605,119	517,000	517,000	517,000

Human Services Department

433010	WA State Dept. of Social and Health Services (DSHS) / Dementia Capable Systems Grant	16,929	33,124	0	0
433010	Workforce Development Council (WDC) / Workforce Investment Act	47,370	0	0	0
Total Federal Grants - Indirect		24,781,321	26,806,227	27,364,496	29,021,890
439090	City of Seattle / Citizen Kao Private Donation	0	600,000	0	0
439090	City of Seattle / Ordinance #120907 / Sex Industry Victims Fund - Care and Treatment for Sex Industry Workers	157,794	92,662	92,662	92,662
439090	Workforce Development Council (WDC) / Office of Economic Development / Seattle Youth Employment Program	80,000	0	0	0
469930	City of Seattle / Ordinance #120443 / Transfer Development Rights - Child Care Bonus	1,651,329	500,000	500,000	4,000,000
Total Contrib/Priv Sources		1,889,123	1,192,662	592,662	4,092,662
431010	US Department of Education (DOE) / Upward Bound	475,452	435,842	435,842	460,141
431010	US Department of Homeland Security (FEMA) / Urban Area Security Initiative	21,614	111,176	113,734	120,000
431010	US Dept of Housing & Urban Development (HUD) / Emergency Shelter Grants Program (ESGP)	909,224	819,850	819,850	778,857
431010	US Dept of Housing & Urban Development (HUD) / Housing Opportunities for People with AIDS (HOPWA) Grant	1,704,175	1,783,626	1,783,388	2,012,100
431010	US Dept of Housing & Urban Development (HUD) / McKinney Grant	11,233,661	14,261,841	14,261,913	14,123,537
431010	US Dept of Housing & Urban Development (HUD) / McKinney-Safe Harbor HMIS Care Program	132,121	0	0	0
431010	US Dept of Justice (DOJ) / Domestic Violence (DV) Transitional Housing	3,525	93,772	93,772	0
431010	US Dept of Justice (DOJ) / Grants to Encourage Arrest Policies (GEAP)	241,183	407,204	407,204	398,682
431010	US Dept of Justice (DOJ) / Office of Justice / DOJ National Forum	79,706	0	0	0

Human Services Department

	on Youth Violence				
	Total Federal Grants - Direct	14,800,661	17,913,311	17,915,703	17,893,317
587001	General Subfund Support	80,861,241	90,579,794	88,313,241	95,479,510
	Total General Fund	80,861,241	90,579,794	88,313,241	95,479,510
459900	City of Seattle/ RCW 9A.88.14 / Sexual Abuse for Minors	21,131	32,500	32,500	32,500
541490	City of Seattle / Demographic Data Task Force	250,000	0	0	0
541490	City of Seattle / Energy Assistance Program	28,733	43,527	44,576	42,410
541490	City of Seattle / Office of Housing (OH) / Housing Levy	935,163	1,796,000	1,796,000	1,790,714
541490	City of Seattle / Seattle Department of Transportation / Vehicle Licensing Fee & ORCA LIFT	422,438	324,641	324,641	207,000
541490	City of Seattle / Utility Discount Program	1,373,126	1,617,786	1,656,793	1,602,045
	Total IF Administrative Fees & Charges	3,030,591	3,814,454	3,854,510	3,674,669
437010	King County / Community Shuttle Transportation	0	0	0	304,480
437010	King County / Human Services Levy - Program to Encourage Active Rewarding Lives for Seniors (PEARLS)	185,547	178,001	178,000	178,000
437010	King County / Levy funds for Veteran Case Management	183,751	178,001	178,001	178,000
437010	Public Health Seattle & King County/ Partnerships to Improve Community Health (PICH)	46,737	0	0	0
437010	United Way / Safe Harbors Grant	12,500	0	0	0
437010	University of Washington, School of Washington / NW Geriatrics Workforce Enhance	123,174	90,102	50,000	45,051
437010	Western Health Providence / Western Health Connect	20,453	0	0	0
541490	City of Seattle / Seattle Fire Department / Low Acuity Alarm Program	0	96,933	96,933	96,933
	Total Interlocal Grants	572,162	543,037	502,934	802,464
461110	WA Dept of Social & Health Services (DSHS) / Interest - State Cash Advance	67,112	90,000	90,000	19,000
	Total Investment Earnings	67,112	90,000	90,000	19,000
434010	WA Dept of Social & Health Services (DSHS) / Administration on Aging (AoA) - Care Consultation Svcs for	22,043	25,000	25,000	25,000

Human Services Department

	Veteran Directed Home Svcs				
434010	WA Dept of Social & Health Services (DSHS) / Kinship Care Navigator	81,806	84,785	84,785	84,785
434010	WA Dept of Social & Health Services (DSHS) / Kinship Care Support	204,313	191,317	191,316	182,031
434010	WA Dept of Social & Health Services (DSHS) / Prescription Drugs Information & Assistance	10,641	17,560	17,560	17,560
434010	WA Dept of Social & Health Services (DSHS) / Respite Home Care Workers' Health Care Insurance & Training	26,663	28,382	31,321	28,382
434010	WA Dept of Social & Health Services (DSHS) / Respite-AWHI	153,100	177,849	195,634	177,849
434010	WA Dept of Social & Health Services (DSHS) / Senior Citizens Service Act (SCSA)	2,334,478	2,148,418	2,148,418	2,136,051
434010	WA Dept of Social & Health Services (DSHS) / Senior Farmers Market Nutrition - State Portion	21,832	21,367	21,367	21,367
434010	WA Dept of Social & Health Services (DSHS) / State Family Caregivers	3,067,303	3,125,854	3,160,420	3,104,460
434010	WA Dept of Social & Health Services (DSHS) / State Portion- Title XIX New FD	318,759	407,077	431,868	289,879
434010	WA Dept of Social & Health Services (DSHS) / Title XIX Core Services - State Portion	25,852	0	0	716,309
434010	WA Dept of Social & Health Services (DSHS) / Title XIX Medicaid Case Mgmt - State Portion	8,637,394	9,769,842	10,364,825	10,000,000
434010	WA Dept of Social & Health Services (DSHS) / Training/Training Wages - State Portion	13,930	0	0	0
434010	WA Dept of Transportation (WSDOT) / Community Shuttle Transportation	0	0	0	245,520
434010	WA Dept of Transportation / WSDOT Funds	100,000	0	0	0
439090	WA Dept of Social & Health Services (DSHS) / Title XIX - Carryforward	1,903,700	0	0	252,658
	Total State Grants	16,921,814	15,997,451	16,672,514	17,281,851
	Total Revenues	142,924,025	156,936,936	155,306,060	168,265,363

Human Services Department

379100	Fund Balance	5,022,169	1,521,210	-897,003	-1,977
	Total Fund Balance	5,022,169	1,521,210	-897,003	-1,977
	Total Resources	147,946,194	158,458,146	154,409,057	168,263,386

Human Services Department

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 to assist low-income and vulnerable residents in greater Seattle to live and thrive.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Homeless Intervention	4,756,340	3,961,545	3,761,545	3,761,545
Leadership and Corporate Services	78,343	1,047,706	1,047,706	1,047,706
Total	4,834,683	5,009,251	4,809,251	4,809,251

The following information summarizes the programs in CDBG - Human Services Department Budget Control Level:

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.

	2016	2017	2018	2018
Expenditures	Actuals	Adopted	Endorsed	Proposed
Homeless Intervention	4,756,340	3,961,545	3,761,545	3,761,545

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.

	2016	2017	2018	2018
Expenditures	Actuals	Adopted	Endorsed	Proposed
Leadership and Corporate Services	78,343	1,047,706	1,047,706	1,047,706

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>.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Age Friendly Seattle Office	592,610	604,163	620,032	696,870
Healthy Aging	10,622,368	10,669,460	10,814,484	10,704,853
Home-Based Care	24,454,646	24,935,652	26,103,626	28,334,369
Planning and Coordination	3,191,316	3,593,147	3,626,191	3,648,744
Total	38,860,940	39,802,422	41,164,333	43,384,836
Full-time Equivalents Total*	174.75	174.75	174.75	195.25

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

The following information summarizes the programs in Aging and Disability Services - Area Agency on Aging Budget Control Level:

Age Friendly Seattle Office Program

The purpose of the Age Friendly Seattle Office Program is to oversee the implementation and ongoing evaluation of the Age-Friendly Seattle Action Plan, coordinating with other City departments in making Seattle a better place to grow up and grow old. This program was formerly titled the Mayor's Office on Senior Citizens.

	2016	2017	2018	2018
Expenditures/FTE	Actuals	Adopted	Endorsed	Proposed
Age Friendly Seattle Office	592,610	604,163	620,032	696,870
Full-time Equivalents Total	7.50	7.50	7.50	8.00

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.

	2016	2017	2018	2018
Expenditures	Actuals	Adopted	Endorsed	Proposed
Healthy Aging	10,622,368	10,669,460	10,814,484	10,704,853

Human Services Department

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.

Expenditures/FTE	2016	2017	2018	2018
	Actuals	Adopted	Endorsed	Proposed
Home-Based Care	24,454,646	24,935,652	26,103,626	28,334,369
Full-time Equivalents Total	145.75	145.75	145.75	165.75

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.

Expenditures/FTE	2016	2017	2018	2018
	Actuals	Adopted	Endorsed	Proposed
Planning and Coordination	3,191,316	3,593,147	3,626,191	3,648,744
Full-time Equivalents Total	21.50	21.50	21.50	21.50

Leadership and Administration Budget Control Level

The purpose of the Leadership and Administration Budget Control Level is to provide human services leadership and support to Seattle departments and residents. The Leadership and Administration Budget Control Level also includes the Mayor's Office of Domestic Violence and Sexual Assault.

Program Expenditures	2016	2017	2018	2018
	Actuals	Adopted	Endorsed	Proposed
Compliance Unit	0	326,236	333,624	443,457
Data Integrity	1,690,629	1,919,686	1,781,089	1,806,418
Financial Management	3,857,765	3,289,940	3,320,753	3,408,325
Human Resources	893,154	985,677	1,007,218	1,019,570
Leadership	3,242,220	3,435,018	3,507,891	3,976,932
Mayor's Office on Domestic Violence and Sexual Assault Prevention	5,527,605	6,974,740	7,077,522	7,893,344
Total	15,211,373	16,931,297	17,028,097	18,548,046
Full-time Equivalents Total*	70.85	59.75	59.75	62.75

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

Human Services Department

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

Compliance Unit Program

The purpose of the Compliance Unit program is to provide customer service and technical support related to contracts to program specialists, managers, and community partners. The Compliance Unit sets and implements HSD contracting policy, and advises HSD staff and community partners on Citywide contracting policy.

	2016	2017	2018	2018
Expenditures	Actuals	Adopted	Endorsed	Proposed
Compliance Unit	0	326,236	333,624	443,457

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.

	2016	2017	2018	2018
Expenditures/FTE	Actuals	Adopted	Endorsed	Proposed
Data Integrity	1,690,629	1,919,686	1,781,089	1,806,418
Full-time Equivalents Total	20.10	10.00	10.00	10.00

Financial Management 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.

	2016	2017	2018	2018
Expenditures/FTE	Actuals	Adopted	Endorsed	Proposed
Financial Management	3,857,765	3,289,940	3,320,753	3,408,325
Full-time Equivalents Total	22.25	22.25	22.25	22.75

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.

	2016	2017	2018	2018
Expenditures/FTE	Actuals	Adopted	Endorsed	Proposed
Human Resources	893,154	985,677	1,007,218	1,019,570
Full-time Equivalents Total	5.75	5.75	5.75	5.75

Human Services Department

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.

	2016	2017	2018	2018
Expenditures/FTE	Actuals	Adopted	Endorsed	Proposed
Leadership	3,242,220	3,435,018	3,507,891	3,976,932
Full-time Equivalents Total	18.25	17.25	17.25	18.75

Mayor's Office on 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.

	2016	2017	2018	2018
Expenditures/FTE	Actuals	Adopted	Endorsed	Proposed
Mayor's Office on Domestic Violence and Sexual Assault Prevention	5,527,605	6,974,740	7,077,522	7,893,344
Full-time Equivalents Total	4.50	4.50	4.50	5.50

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; programs that prevent gun violence; and public health nursing care home visits to give mothers and babies a healthy start in life using the Nurse Family Partnership (NFP) program model.

Program Expenditures	2016	2017	2018	2018
	Actuals	Adopted	Endorsed	Proposed
Alcohol and Other Drugs	1,519,257	1,695,416	1,726,870	1,726,870
Asthma	134,348	141,046	143,811	143,811
Gun Violence Prevention Program	50,000	101,000	102,000	102,000
Health Care Access	430,063	387,816	395,420	395,420
Health Care for the Homeless	1,643,999	1,677,765	1,710,663	1,710,663
HIV/AIDS	925,570	950,887	969,532	969,532
Oral Health	128,126	137,126	139,814	139,814
Primary Care: Medical and Dental	7,160,331	7,541,537	7,685,803	7,685,803
Total	11,991,694	12,632,593	12,873,913	12,873,913

Human Services Department

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.

	2016	2017	2018	2018
Expenditures	Actuals	Adopted	Endorsed	Proposed
Alcohol and Other Drugs	1,519,257	1,695,416	1,726,870	1,726,870

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.

	2016	2017	2018	2018
Expenditures	Actuals	Adopted	Endorsed	Proposed
Asthma	134,348	141,046	143,811	143,811

Gun Violence Prevention Program Program

The purpose of the Gun Violence Prevention Program is to provide funding for initiatives that prevent gun violence. The programs include reviewing gun death cases in an interdisciplinary way, as well as providing technical assistance and support on safe storage for guns. The program also includes gun violence intervention, which focuses on gunshot wound victims to prevent to reduce the high risk of recidivism.

	2016	2017	2018	2018
Expenditures	Actuals	Adopted	Endorsed	Proposed
Gun Violence Prevention Program	50,000	101,000	102,000	102,000

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.

	2016	2017	2018	2018
Expenditures	Actuals	Adopted	Endorsed	Proposed
Health Care Access	430,063	387,816	395,420	395,420

Human Services Department

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.

	2016	2017	2018	2018
Expenditures	Actuals	Adopted	Endorsed	Proposed
Health Care for the Homeless	1,643,999	1,677,765	1,710,663	1,710,663

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.

	2016	2017	2018	2018
Expenditures	Actuals	Adopted	Endorsed	Proposed
HIV/AIDS	925,570	950,887	969,532	969,532

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.

	2016	2017	2018	2018
Expenditures	Actuals	Adopted	Endorsed	Proposed
Oral Health	128,126	137,126	139,814	139,814

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.

	2016	2017	2018	2018
Expenditures	Actuals	Adopted	Endorsed	Proposed
Primary Care: Medical and Dental	7,160,331	7,541,537	7,685,803	7,685,803

Human Services Department

Division of Homeless Strategy and Investment Budget Control Level

The purpose of the Division of Homeless Strategy and Investment Budget Control Level is to provide resources and services to Seattle's low-income and homeless residents.

Program Expenditures	2016	2017	2018	2018
	Actuals	Adopted	Endorsed	Proposed
Access to Benefits	7,362	0	0	0
CDBG Administration	4,872,722	2,118,569	70,158	3,569,214
Emergency and Transitional Services	38,399,872	0	0	0
Homeless Strategy and Investments	6,307,352	54,427,839	50,683,338	55,201,756
Mayor's Office of Domestic Violence and Sexual Assault Prevention	93,814	0	0	0
Total	49,681,122	56,546,408	50,753,496	58,770,970
Full-time Equivalents Total*	22.50	30.00	27.00	31.00

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

The following information summarizes the programs in Division of Homeless Strategy and Investment Budget Control Level:

Access to Benefits Program

The purpose of the Access to Benefits Program is to support the Utility Discount Program, which provides utility payment assistance to Seattle residents with low incomes.

Expenditures	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Access to Benefits	7,362	0	0	0

CDBG Administration 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.

Expenditures/FTE	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
CDBG Administration	4,872,722	2,118,569	70,158	3,569,214
Full-time Equivalents Total	8.00	6.00	6.00	6.00

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.

Expenditures/FTE	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Emergency and Transitional Services	38,399,872	0	0	0
Full-time Equivalents Total	14.50	0.50	0.50	0.50

Human Services Department

Homeless Strategy and Investments Program

The purpose of the Homeless Strategy and Investment Division is to oversee a continuum of services with the goal of making homelessness in our city rare, brief and one-time. The Homeless Strategy and Investment Division manages investments in resources, programs, and services that include homelessness prevention, housing services, and homeless survival interventions such as shelter, outreach, hygiene, health care, and day centers.

Expenditures/FTE	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Homeless Strategy and Investments	6,307,352	54,427,839	50,683,338	55,201,756
Full-time Equivalents Total	0.00	23.50	20.50	24.50

Mayor's Office of 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.

Expenditures	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Mayor's Office of Domestic Violence and Sexual Assault Prevention	93,814	0	0	0

Youth and Family Empowerment Budget Control Level

The purpose of the Youth and Family Empowerment BCL is to support children, youth, and families with programs, skills, and knowledge.

Program Expenditures	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Access to Benefits	1,976,515	1,919,868	1,948,713	1,667,556
Access to Food and Meals	2,221,019	7,158,596	7,135,564	9,004,536
Youth Services	23,168,847	18,457,711	18,695,690	19,204,278
Total	27,366,381	27,536,175	27,779,967	29,876,370
Full-time Equivalents Total*	63.50	63.50	63.50	66.75

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

Human Services Department

The following information summarizes the programs in Youth and Family Empowerment Budget Control Level:

Access to Benefits Program

The purpose of the Access to Benefits Program is to support the Utility Discount Program, which provides utility payment assistance to Seattle residents with low incomes. This program also includes transportation discount programs.

	2016	2017	2018	2018
Expenditures/FTE	Actuals	Adopted	Endorsed	Proposed
Access to Benefits	1,976,515	1,919,868	1,948,713	1,667,556
Full-time Equivalents Total	15.50	15.50	15.50	15.50

Access to Food and Meals Program

The purpose of the Nutrition Assistance Program is to provide children and families access to affordable, culturally relevant, high-quality food and nutrition education, and other family support resources, that will allow for children and their families to be healthy, successful in school, and contributing members of the community. These programs include the Child Care Nutrition program as well as the Farm to Table program.

	2016	2017	2018	2018
Expenditures/FTE	Actuals	Adopted	Endorsed	Proposed
Access to Food and Meals	2,221,019	7,158,596	7,135,564	9,004,536
Full-time Equivalents Total	8.75	8.75	8.75	12.00

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.

	2016	2017	2018	2018
Expenditures/FTE	Actuals	Adopted	Endorsed	Proposed
Youth Services	23,168,847	18,457,711	18,695,690	19,204,278
Full-time Equivalents Total	39.25	39.25	39.25	39.25

Human Services Department

Human Services Fund Table

Human Services Operating Fund (16200)

	2016 Actuals	2017 Adopted	2017 Revised	2018 Endorsed	2018 Proposed
Beginning Fund Balance	18,751,402	11,110,739	13,729,233	9,589,529	11,276,064
Accounting and Technical Adjustments	0	0	0	0	0
Plus: Actual and Estimated Revenues	138,089,342	151,927,685	153,444,690	150,496,809	163,456,112
Less: Actual and Budgeted Expenditures	143,111,511	153,448,895	155,897,859	149,599,806	163,454,135
Ending Fund Balance	13,729,233	9,589,529	11,276,064	10,486,532	11,278,041
Mandatory Reserve for Child Care Bonus Funds	8,071,000	6,399,000	8,399,000	6,399,000	4,399,000
Other Mandatory Restrictions	3,540,000	2,391,000	2,391,000	2,391,000	1,795,000
Reserve for Cash Flow and Benefits/Paid Leave	300,000	300,000	300,000	300,000	300,000
Total Reserves	11,911,000	9,090,000	11,090,000	9,090,000	6,494,000
Ending Unreserved Fund Balance	1,818,233	499,529	186,064	1,396,532	4,784,041

Seattle Preschool Levy

Dwane Chappelle, Department of Education and Early Learning

(206) 233-5118

www.seattle.gov/education

Department Overview

In November 2014, voters approved a four-year, \$58 million Seattle Preschool Services Levy to fund the Seattle Preschool Program (SPP) Action Plan. The purpose of the program is to expand access to affordable, high-quality preschool for Seattle's three- and four-year-olds so that they enter school prepared to succeed and the academic opportunity gap for children is eliminated. The levy funds a demonstration phase of the Seattle Preschool Program that began in 2015 and will grow to serve between 1,425 and 1,615 children by the 2018-19 school year.

The SPP closely follows the recommendations of national experts and consultants who advised the City to develop an evidence-based program which builds on community partnerships and the existing network of preschool providers, is accessible to all families and is realistic and practical.

Department of Education and Early Learning (DEEL) staff administer the Seattle Preschool Levy. The mission of DEEL is to ensure that all Seattle children have the greatest opportunity to succeed in school and in life and to graduate from school ready for college or a career. DEEL oversees implementation of the SPP by contracting for services with Seattle Public Schools and community providers, directly providing coaching for preschool directors and teachers, and investing in capacity building (e.g., tuition support for teaching staff to attain required educational credentials, facility construction and renovations, and other organizational supports).

Levy investments are intended to make sure that children are exhibiting appropriate developmental skills by the time they enter kindergarten. Children's growth is supported in all developmental domains including social/emotional health, physical development, cognitive skills, language, literacy and math.

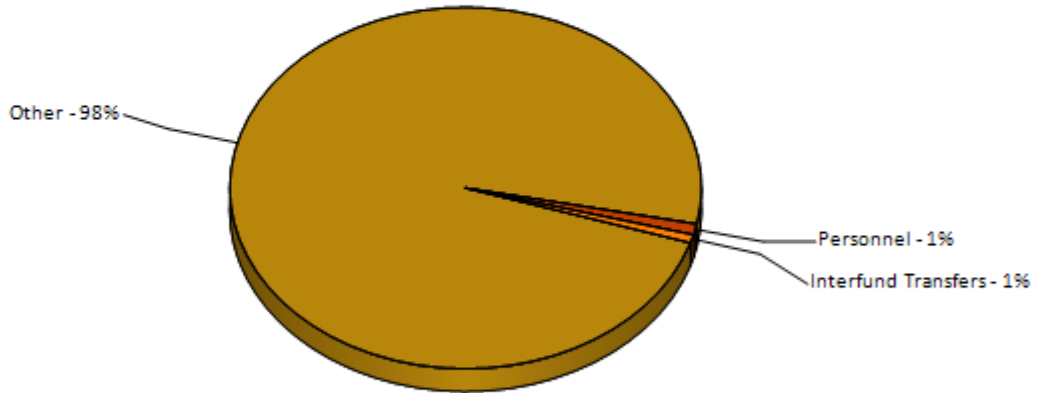
Budget Snapshot

Department Support	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Other Funding - Operating	\$6,123,481	\$14,056,804	\$20,602,337	\$20,602,337
Total Operations	\$6,123,481	\$14,056,804	\$20,602,337	\$20,602,337
Total Appropriations	\$6,123,481	\$14,056,804	\$20,602,337	\$20,602,337
Full-time Equivalent Total*	0.00	0.00	0.00	0.00

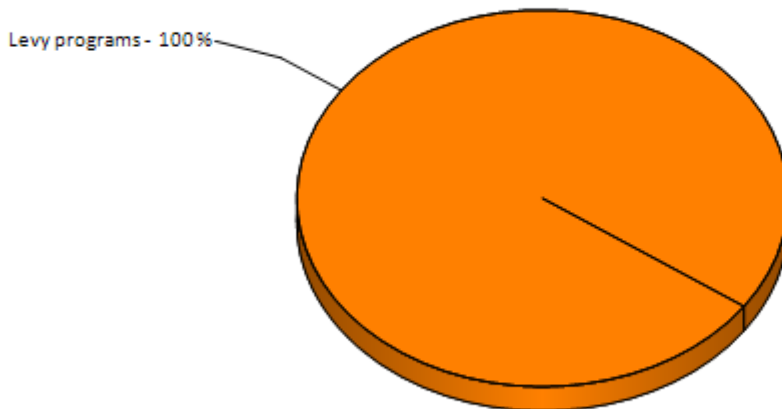
* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

Seattle Preschool Levy

2018 Proposed Budget - Expenditure by Category



2018 Proposed Budget - Revenue by Category



Seattle Preschool Levy

Budget Overview

The Seattle Preschool Program builds on the foundation established by the City's investment of Families and Education Levy funds in the Step-Ahead program; the Child Care Assistance Program funded by the City's General Fund; the Early Childhood Education and Assistance Program funded by Washington state and managed by the City; and federal investments in Head Start. The key elements of SPP are based on the expertise of national consultants and researchers, Washington state experts involved with developing the state's early learning strategy, local providers and advocates, key stakeholders and policy makers. SPP reflects the best thinking about how to prepare children for school and eliminate the academic opportunity gap. Levy services include the following:

1. **School Readiness** will continue to fund the expansion of SPP classrooms from 15 classrooms in 2015-16 serving 275 students to 33 classrooms in the 2016-17 school year serving about 620 three- and four-year-olds; and 54 classrooms in 2017-18 serving approximately 1,000 children. DEEL expects to serve between 1,425 and 1,615 children across 75-85 classrooms by the end of the levy during the 2018-19 school year.
2. **Program Support** funds professional development and training for preschool directors, lead teachers, and assistants.
3. **Capacity Building** funds tuition support for teachers to gain required credentials and facility construction, renovation, and improvements to increase access to quality classrooms. To date, six SPP teachers have received scholarship funds to continue their education. Capacity building funds are also supporting the redevelopment of the Parks and Recreation Miller Community Center Annex which will open in January 2018 and eventually serve 80 children in four classrooms. Levy investments include: funding an additional SPP classroom in a community-based preschool and funding Seattle Parks and Recreation to convert community center space to SPP classrooms.
4. **Research and Evaluation funds:**
 - i. external evaluators to assess classroom environments and teacher/child interactions;
 - ii. training for teachers on how to appropriately assess child development;
 - iii. external evaluators to develop and begin a comprehensive evaluation strategy; and
 - iv. data system development to support quality improvement and evaluation.
5. **Contingency** funds provide flexibility for this new investment. SPP requires partnerships with existing programs and for those programs to contribute resources from state, federal, or private sources, as well as parent tuition based on a sliding fee scale. While estimates of these resources were based on working with existing providers and funders, the City included contingency funds in case actual recoveries or contributions fall short of expectations.
6. **Administration** funds DEEL staff to provide oversight, administration and leadership for the development of the investments identified above. The levy requires continuous quality improvement, strong community partnerships, and transparency in the program's development.

The 2018 Proposed Budget offers no changes from the 2018 Endorsed Budget and reflects the level of expenditure described in the financial plan adopted by the City Council in [Ordinance 124509](#). Although the overall expenditure levels will remain according to the adopted financial plan there will be minor shifts in the expenditure levels by Budget Control Levels (BCLs) in preparation for the upcoming conversion of the 2018 Adopted Budget for Summit Re-Implementation (SRI). SRI is a Citywide software update and centralization of the City's Summit accounting system that will begin in January 2018.

The levy is expected to generate revenues of approximately \$58 million over four years. The funding strategy of the levy was to appropriate less than revenues collected in each year early in the life of the levy and hold excess funds in reserve for latter years of the levy as expenditures became larger than earned revenues. This allowed the programs to be phased in. For 2018, the budget assumes \$17 million in revenue from property taxes and parent tuition. In the proposed budget, SPP will appropriate more than \$20 million in revenue.

Seattle Preschool Levy

Incremental Budget Changes

Seattle Preschool Levy

	2018	
	Budget	FTE
Total 2018 Endorsed Budget	\$ 20,602,337	0.00
2018 Proposed Budget	\$ 20,602,337	0.00

Expenditure Overview

Appropriations	Summit Code	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Administration Budget Control Level	IP500	1,906,498	2,328,807	2,576,965	2,576,965
Capacity Building Budget Control Level	IP300	316,395	2,806,910	2,913,052	2,913,052
Contingency Budget Control Level	IP600	127,802	364,532	525,656	525,656
Program Support: Professional Development and Training Budget Control Level	IP200	678,043	1,392,357	2,160,650	2,160,650
Research and Evaluation Budget Control Level	IP400	693,418	759,817	819,711	819,711
School Readiness Budget Control Level	IP100	2,401,326	6,404,381	11,606,303	11,606,303
Department Total		6,123,481	14,056,804	20,602,337	20,602,337
Department Full-time Equivalents 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 Human Resources Director actions outside of the budget process may not be detailed here.

Seattle Preschool Levy

Revenue Overview

2018 Estimated Revenues

Summit Code	Source	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
	Investment Earnings	228,909	0	0	0
	Parent Tuition	0	1,541,202	2,554,823	2,554,823
	Taxes, Levies, & Bonds	14,461,556	14,476,260	14,505,565	14,505,565
	Unrealized Gains (Losses)	-114,647	0	0	0
	Total Levy programs	14,575,818	16,017,462	17,060,388	17,060,388
	Total Revenues	14,575,818	16,017,462	17,060,388	17,060,388
371000	Use of (Contribution to) Fund Balance	-8,366,534	-1,960,658	3,541,949	3,541,949
	Total Levy programs	-8,366,534	-1,960,658	3,541,949	3,541,949
	Total Resources	6,209,284	14,056,804	20,602,337	20,602,337

Appropriations By Budget Control Level (BCL) and Program

Administration Budget Control Level

The purpose of the Administration Budget Control Level is to administer Seattle Preschool Program funds.

Program Expenditures	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Administration	1,906,498	2,328,807	2,576,965	2,576,965
Total	1,906,498	2,328,807	2,576,965	2,576,965

Capacity Building Budget Control Level

The purpose of the Capacity Building Budget Control Level is to help preschool teachers, assistants, and directors meet the requirements of the Seattle Preschool Program and to provide support for facility development or remodeling.

Program Expenditures	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Capacity Building	316,395	2,806,910	2,913,052	2,913,052
Total	316,395	2,806,910	2,913,052	2,913,052

Seattle Preschool Levy

Contingency Budget Control Level

The purpose of the Contingency Budget Control Level is to provide additional funding to Seattle Preschool Program programs if initial estimates of costs understated the need for resources, and to support quality improvement efforts that arise as the program is phased in.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Contingency	127,802	364,532	525,656	525,656
Total	127,802	364,532	525,656	525,656

Program Support: Professional Development and Training Budget Control Level

The purpose of the Program Support: Professional Development and Training Budget Control Level is to develop the skills of preschool teachers and directors and to provide support so that children are better prepared for school.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Program Support: Professional Development and Training	678,043	1,392,357	2,160,650	2,160,650
Total	678,043	1,392,357	2,160,650	2,160,650

Research and Evaluation Budget Control Level

The purpose of the Research and Evaluation Budget Control Level is to assist Seattle Preschool Program programs in achieving their intended results and to support continuous improvement.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Research and Evaluation	693,418	759,817	819,711	819,711
Total	693,418	759,817	819,711	819,711

School Readiness Budget Control Level

The purpose of the School Readiness Budget Control Level is to prepare children for school by providing access to full day preschool for Seattle families regardless of income.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
School Readiness	2,401,326	6,404,381	11,606,303	11,606,303
Total	2,401,326	6,404,381	11,606,303	11,606,303

Seattle Preschool Levy

Preschool Levy Fund Table

Preschool Services Fund (17861)

	2016 Actuals	2017 Adopted	2017 Revised	2018 Endorsed	2018 Proposed
Beginning Fund Balance	12,366,851	18,453,164	20,451,430	20,413,822	22,412,088
Accounting and Technical Adjustments	-281,955	0	0	0	0
Plus: Actual and Estimated Revenues	14,575,818	16,017,462	16,017,462	17,060,388	17,060,388
Less: Actual and Budgeted Expenditures	6,123,481	14,056,804	14,056,804	20,602,337	20,602,337
Less: Capital Improvements	85,803	0	0	0	0
Ending Fund Balance	20,451,430	20,413,822	22,412,088	16,871,873	18,870,139
Reserve Against Fund Balance	20,451,430	20,413,822	22,412,088	16,871,873	18,870,139
Total Reserves	20,451,430	20,413,822	22,412,088	16,871,873	18,870,139
Ending Unreserved Fund Balance	0	0	0	0	0

Seattle Department of Construction and Inspections

Nathan Torgelson, Director

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www.seattle.gov/dpd

Department Overview

The Seattle Department of Construction and Inspections (SDCI) administers City ordinances regulating building construction, the use of land, and housing.

SDCI is responsible for developing policies and codes related to public safety, environmental protection, land use, construction and rental housing, including:

- Environmentally Critical Areas Ordinance (ECA);
- Housing and Building Maintenance Code;
- Just Cause Eviction Ordinance;
- Rental Registration and Inspection 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.

SDCI reviews land use and construction-related permits, annually approving more than 51,000 permits and performing approximately 191,000 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.

SDCI also enforces compliance with community standards for required rental housing inspections, as well as general housing, zoning, shorelines, tenant relocation assistance, just cause eviction, vacant buildings, noise, and development-related violation complaints, responding to more than 8,000 complaints and other inquiries annually.

SDCI operations are funded by a variety of fees and General Fund resources. SDCI must demonstrate that its fees are set to recover no more than the cost of related services. To provide this accountability, SDCI uses cost

Seattle Department of Construction and Inspections

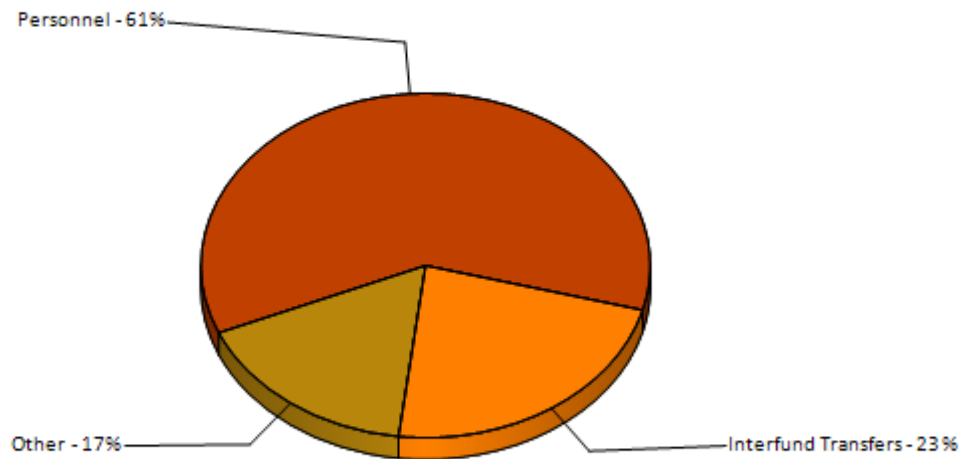
accounting to measure the full cost of its programs. Each program is allocated a share of departmental administration and other overhead costs to calculate the revenue requirements of the program.

Budget Snapshot

Department Support	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
General Fund Support	\$6,624,487	\$7,037,833	\$6,484,400	\$6,815,696
Other Funding - Operating	\$61,977,637	\$80,552,114	\$76,546,566	\$78,040,862
Total Operations	\$68,602,124	\$87,589,947	\$83,030,966	\$84,856,558
Total Appropriations	\$68,602,124	\$87,589,947	\$83,030,966	\$84,856,558
Full-time Equivalent Total*	404.30	405.30	401.50	405.00

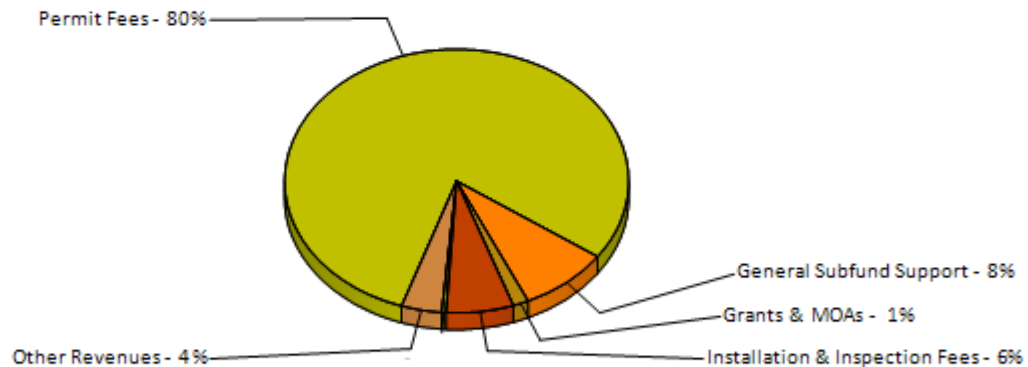
* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

2018 Proposed Budget - Expenditure by Category



Seattle Department of Construction and Inspections

2018 Proposed Budget - Revenue by Category



Budget Overview

Seattle City Council passed Ordinance 124929 in December 2015, establishing the Seattle Department of Construction and Inspections (SDCI). The same ordinance also established a new Office of Planning and Community Development (OPCD). SDCI and OPCD had previously been part of a single department known as the Department of Planning and Development (DPD). SDCI's first full year as a stand-alone department was 2016, with the department focusing on construction, land use, housing and code enforcement.

The City of Seattle continues to see very high levels of development activity. In 2016, SDCI processed more construction permits, conducted more building and electrical inspections, and responded to more housing, zoning and construction complaints than in any previous year. These trends continued in 2017; however, SDCI and City Budget Office economists project the pace of development will start to decrease in 2018.

SDCI made a significant one-time investment in 2017 and 2018 to renovate and improve its workspace and customer service areas in the Seattle Municipal Tower (SMT). This included an investment of \$4.5 million in the 2017 Adopted Budget and \$91,000 in the 2018 Endorsed Budget. The renovation adds additional work space capacity for SDCI, improves workflow, and creates efficiencies and improved collaboration among staff groups. With the consolidation of City information technology functions, and the creation of the new Office of Planning and Community Development (OPCD) as a stand-alone office in City Hall, SDCI expects to shrink its footprint from five to four floors in SMT.

In 2017, SDCI completed phase two and embarked on phase three of the new permit, complaints, and land use tracking and permitting system upgrade. SDCI began work on this technology project in 2014. The department completed phase one of the project, to manage online rental housing registration and renewal, in 2015. In the 4th quarter of 2017, SDCI completed phase two, upgrading all other permitting tools and functionality that existed in

Seattle Department of Construction and Inspections

the previous system. The third phase of this work will add increased capability for new requirements that have surfaced within the department and will resolve any issues identified in the previous phases of work. The final phase of this work is expected to be ongoing throughout 2018.

In the 2016 Adopted Budget, the City Council added a two-year General Fund funded 1.0 FTE Housing/Zoning Inspector, Sr. position to develop and lead an auditing program for the Rental Registration and Inspection Ordinance (RRIO) program. The auditor position has improved the RRIO program by addressing inconsistencies and occasional mistakes in the private inspection program. The RRIO auditor also works on specific outreach to tenants whose units have been inspected by private inspectors. Because City inspectors do only about 40% of RRIO inspections, auditing the private inspection program is critical to ongoing success. In September 2017, private inspectors began submitting inspection results to the City as part of new requirements that allow SDCI to require additional units to be inspected. The auditor position will lead this new work. The 2018 Proposed Budget converts this position to ongoing and changes the funding source from General Fund to RRIO fees.

In the 2017 Adopted Budget, the City Council adopted a Statement of Legislative Intent (SLI) requesting the development and funding of a Tenant Landlord Resource Center. SDCI developed a proposal in coordination with other City departments and external stakeholders called "Renting in Seattle." The 2018 Proposed Budget funds the highest priority actions identified in the SLI response, including a position to coordinate and lead the work, and resources to improve City services to renters and landlords through improved communication, sustained outreach to historically underrepresented and non-English speaking communities, and cross-departmental training and coordination.

The 2018 Proposed Budget adds two additional positions for SDCI. In the Land Use Services program, a new Land Use Planner III position will provide facilitation of projects that require extensive coordination with multiple City departments and county agencies to ensure timely review and decision making. City priority projects are often expected to be handled in compressed timelines, requiring intensive efforts that result in reduced staff capacity to handle the regular workload. In the Community Engagement program, a new Public Relations Specialist position will provide additional resources to develop, create, edit, and produce communication material, including reports, brochures, flyers, videos, posters, and website content. This position will provide direct support to a variety of work groups that have informational/outreach needs for specific audiences; and will improve the department's ability to respond to the public information needs generated by increasingly complex land use and building regulations, as well as a variety of new regulations concerning rental housing. The position will help SDCI improve customer service to historically underrepresented audiences by creating visually-based materials and using plain language to convey complex issues in a simple manner.

Except for the Code Compliance division, SDCI is primarily fee-supported and its fees and charges are necessary to support its permitting and inspections operations. All fees collected by SDCI for processing and inspecting permits are used for that purpose as regulated by state law, and the fee structure is reflective of the Seattle Municipal Code requirements to recoup the cost of providing permitting and inspection services. The 2018 Proposed Budget includes budget legislation that revises most of SDCI's 2018 fees and charges by the known Consumer Price Index (CPI) adjustments for 2018, or 2.75%. The details of the budget legislation are provided in legislation accompanying the proposed budget. In 2017, SDCI undertook work to review their financial model and specifically to analyze staffing requirements for permit review and inspection staff in changing market conditions. SDCI engaged with a consultant to provide a comprehensive staffing requirement study and provide recommendations for a staffing structure responsive to variability in development volumes. The outcome of this work will inform the fee change legislation SDCI prepares for the 2019 Proposed Budget.

Seattle Department of Construction and Inspections

Budget Performance Measures

SDCI participated in the Budget Performance Measures pilot. This pilot explores use of the annual budget book to discuss and display performance measures and related financial information for City departments. A more in-depth description of this pilot and its objectives can be found in the Budget Performance Measures section in the 2018 Proposed Budget introduction.

As part of this project, SDCI worked with the City Budget Office to:

1. identify and present service area workload performance measures;
2. present actual and estimated achievements for each measure; and
3. present specific budgetary appropriations and position authorities associated with each measure, as appropriate.

The Budget Performance Measures section in the 2018 Proposed Budget introduction contains detailed descriptions of SDCI's performance measures, including:

- Efficient processing of construction permits: From intake to issue;
- Efficient processing of land use permits: From intake to published decision;
- Conduct timely inspections: From request to inspection; and
- Code compliance response times: Response to code complaints.

Seattle Department of Construction and Inspections

Incremental Budget Changes

Seattle Department of Construction and Inspections

	2018	
	Budget	FTE
Total 2018 Endorsed Budget	\$ 83,030,966	401.50
Baseline Changes		
Reset Overhead Allocations	\$ 4,669,178	0.00
One-Time Funding Reductions	-\$ 116,038	0.00
Position Transfer	\$ 0	0.00
Position Reclassification	\$ 64,570	0.00
Citywide Adjustments for Standard Cost Changes	\$ 922,422	0.00
Proposed Changes		
2017 Quarter 1 and 2 Budget Supplementals	\$ 79,778	0.50
Position Reclassifications	\$ 287,713	0.00
Change Funding Source for RRIO Inspections Auditing Position	\$ 116,038	0.00
Fund Tenant Landlord Resource Center	\$ 200,000	1.00
Improve City Priority Projects Capacity	\$ 142,949	1.00
Improve Public Relations Capacity	\$ 113,594	1.00
Proposed Technical Changes		
Overhead Technical Adjustment	-\$ 4,654,612	0.00
Total Incremental Changes	\$ 1,825,592	3.50
2018 Proposed Budget	\$ 84,856,558	405.00

Descriptions of Incremental Budget Changes

Baseline Changes

Reset Overhead Allocations - \$4,669,178

This adjustment removes one time adds for tenant improvements and a consultant study that were added in 2017 and resets the resulting overhead allocation for operations services in 2018.

One-Time Funding Reductions - (\$116,038)

In the 2016 Adopted Budget, Council added funding for a Senior Housing Inspector position to oversee an

Seattle Department of Construction and Inspections

inspection/auditing program for the Rental Housing Registration and Inspection Ordinance (RRIO) program. This budget change provided two years of General Fund support to the RRIO program to enable SDCI to focus on the private inspection program without raising the cost for the program's initial registrations. This action reduces General Fund support; RRIO fees will provide ongoing funding for this work beginning in 2018.

Position Transfer

This adjustment reflects an operational change in which a 0.5 FTE was transferred from the RRIO program to the Code Compliance program due to shifts in workload.

Position Reclassification - \$64,570

This adjustment reflects the reclassification of 5.0 FTE Permit Spec 1 positions to Permit Spec 2 positions and 3.0 FTE Permit Tech, Sr positions to Permit Spec 1 positions. Both sets of reclassifications were due to a Citywide grievance process, prompting a review of the classification of the positions.

Citywide Adjustments for Standard Cost Changes - \$922,422

Citywide technical adjustments made in the baseline phase reflect changes to internal services costs, health care, and industrial insurance charges for the department. These adjustments reflect initial assumptions about these costs and inflators early in the budget process

Proposed Changes

2017 Quarter 1 and 2 Budget Supplementals - \$79,778/.50 FTE

This adjustment accounts for items that were added to SDCI's budget through the 1st and 2nd Quarter Supplemental Budget Ordinances as one-time additions. These budget actions are necessary to continue the position and budget authority into 2018 and future years:

- The 1st Quarter Supplemental Budget Ordinance increased a position in the Code Compliance program from 0.5 FTE to 1.0 FTE. This position responds to construction complaints, which have grown by 67% over the past five years. By increasing the position to full-time, SDCI will be able to respond more quickly to complaints and follow up on a backlog of open construction code enforcement cases. Funding for this position comes from building inspection fees.
- The 2nd Quarter Supplemental Budget Ordinance added budget authority to support biannual training and provide more robust recruitment for the Design Review Board. This item supports training to all 36 Board members and 18 staff and provides funding for more diverse Board member recruitment. This work is supported by land use fees.

Position Reclassifications - \$287,713

This item adds budget and appropriation authority to cover increased labor costs related to the reclassification of 16 positions across SDCI between 2016 and early 2017. Positions in Code Compliance, Land Use Services, Construction Plans Administration, Building Inspections, Electrical Inspections, and Site Review and Inspections were reclassified to new job titles for various reasons such as increased duties associated with new legislation, to better align positions with work performed, and in response to recommendations from auditors.

Change Funding Source for RRIO Inspections Auditing Position - \$116,038

This action converts a 1.0 FTE Housing/Zoning Inspector, Sr. (RRIO Auditor) position from a General Fund funded position to a RRIO fee funded position. The City Council established the RRIO Auditor position in the 2016

Seattle Department of Construction and Inspections

Adopted Budget to help ensure RRIO inspections done by private inspectors fully address maintenance and safety problems. Council funded the position with General Fund and included a sunset provision with an end date of December 31, 2017. The 2018 Proposed Budget removes the sunset provision and changes funding for the auditor from General Fund to RRIO fees. This budget action supports SDCI's ongoing RRIO auditing program.

Fund Tenant Landlord Resource Center - \$200,000/1.00 FTE

This action adds budget and appropriation authority for a 1.0 FTE Planning & Development Specialist, Senior position and for consulting services to support a Tenant Landlord Resource Center. This budget add is responsive to [Council SLI 144-1-A-1](#), which requested that SDCI develop a proposal for a Tenant Landlord Resource Center. An effort to better package and market resources for tenants and landlords, named "Renting in Seattle," is underway with 2017 resources. The 2018 Proposed Budget adds a new position to coordinate the City's tenant and landlord services. This funding will also support the development and distribution of printed materials, an informational video, translation and narration in multiple languages, and increased outreach to historically underrepresented communities. This item is funded with General Fund dollars.

Improve City Priority Projects Capacity - \$142,949/1.00 FTE

This action adds budget and appropriation authority for a new 1.0 FTE Land Use Planner III position to provide project facilitation for land use and building permit projects identified as City priorities. Examples of City priority projects include, but are not limited to, publicly-funded affordable housing developments, large projects such as sports arenas, civic center developments, and major infrastructure projects. The position will improve services to SDCI customers, provide opportunity to expand the green building program, and help meet City climate action goals. The position will be funded by land use and building permit fees.

Improve Public Relations Capacity - \$113,594/1.00 FTE

This action adds budget and appropriation authority for a 1.0 FTE Public Relations Specialist position to support SDCI's outreach and engagement efforts. SDCI currently has two public relations staff. New citywide policies and regulations have created increasingly complex land use and building regulations over the past several years. This additional position will support department outreach and engagement efforts to raise public awareness of permitting and code enforcement processes as well as code development, rental housing, and tenant protection programs. The position will help SDCI improve customer service to historically underrepresented audiences by creating visually-based materials and using plain language to convey complex issues in a simple manner. This is an overhead position that is supported by both permit fee revenues and General Fund dollars.

Proposed Technical Changes

Overhead Technical Adjustment - (\$4,654,612)

This item adjusts the distribution of overhead expenses across programs in the Seattle Department of Construction and Inspections (SDCI) in response to changes in internal rates and labor changes included in the 2018 Proposed Budget. The adjustment accounts for budget changes in the following SDCI budget programs: Operations Division Management, Director's Office, Community Engagement, Human Resources, and Finance & Accounting Services. This change is comprised of a \$4,842,929 decrease to the permit fee overhead burden and a \$188,317 increase to the General Fund overhead burden.

Seattle Department of Construction and Inspections

Expenditure Overview

Appropriations	Summit Code	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Annual Certification and Inspection Budget Control					
Annual Certification and Inspection		4,308,953	5,360,946	5,465,933	5,177,420
Total	U24A0	4,308,953	5,360,946	5,465,933	5,177,420
Code Compliance Budget Control					
Code Compliance		5,363,958	6,099,043	5,841,574	6,437,195
Code Development		945,636	1,132,916	926,188	909,423
Rental Housing		2,160,194	2,320,855	2,156,996	2,215,913
Total	U2400	8,469,788	9,552,814	8,924,758	9,562,531
Construction Inspections Budget Control					
Building Inspections		6,249,937	6,932,369	7,069,113	6,749,947
Construction Inspections Unallocated CBA		0	2,318,752	2,318,752	2,318,752
Electrical Inspections		6,236,352	6,962,242	7,094,934	6,772,682
Signs and Billboards		359,046	400,553	407,616	389,319
Site Review and Inspection		4,412,773	5,111,229	5,206,884	5,114,594
Total	U23A0	17,258,108	21,725,145	22,097,299	21,345,294
Construction Permit Services Budget Control					
Construction Permit Services Overhead Allocations		0	-6,907,552	-6,907,552	-2,271,365
Construction Permit Services Unallocated CBA		0	4,073,484	4,073,484	4,073,484
Construction Plans Administration		19,200,442	22,107,109	22,484,017	21,324,013
Operations Division Management		107,473	6,907,552	2,238,413	2,271,365
Total	U2300	19,307,914	26,180,593	21,888,362	25,397,497
Department Leadership Budget Control					
Community Engagement		0	421,621	433,174	553,068
Department Leadership Overhead Allocations		0	-14,922,949	-14,936,665	-16,510,713
Director's Office		0	894,532	919,389	926,773
Finance and Accounting Services		0	12,773,312	12,737,874	14,044,739
Human Resources		0	833,484	846,228	986,133
Information Technology Services		0	0	0	0
Total	U2500	0	0	0	0
Land Use Services Budget Control					
Land Use Services		13,537,893	16,653,044	17,110,471	16,518,555
Land Use Services Unallocated CBA		0	1,672,241	1,672,241	1,672,241
Public Resource Center		1,857,365	2,104,581	2,139,389	2,063,626

Seattle Department of Construction and Inspections

Total	U2200	15,395,258	20,429,866	20,922,101	20,254,422
Planning Budget Control					
Design Commission		0	0	0	0
Planning Commission		0	0	0	0
Total	U2900	0	0	0	0
Process Improvements and Technology Budget Control Level	U2800	3,862,102	4,340,583	3,732,513	3,119,394
Department Total		68,602,124	87,589,947	83,030,966	84,856,558

Department Full-time Equivalent Total*		404.30	405.30	401.50	405.00
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** FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.*

Seattle Department of Construction and Inspections

Revenue Overview

2018 Estimated Revenues

Summit Code	Source	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
587001	General Subfund Support	8,411,811	7,037,833	6,484,400	6,815,696
	Total General Subfund Support	8,411,811	7,037,833	6,484,400	6,815,696
437010	Grant Revenues	22,184	0	0	0
587900	SPU MOA for Side Sewer & Drainage	1,666,537	1,200,000	1,200,000	1,200,000
	Total Grants & MOAs	1,688,721	1,200,000	1,200,000	1,200,000
422150	Boiler	1,236,051	1,219,000	1,249,000	1,252,000
422160	Elevator	3,775,164	3,741,000	3,682,000	3,844,000
	Total Installation & Inspection Fees	5,011,215	4,960,000	4,931,000	5,096,000
461110	Interest	500,516	100,000	100,000	343,382
	Total Interest	500,516	100,000	100,000	343,382
442450	Rental Housing Registration	2,654,737	888,786	668,278	544,000
469990	Other Revenues	2,391,776	2,442,410	2,356,424	2,083,692
587116	Cumulative Reserve Fund-REET I - TRAO	337,040	371,000	382,000	360,000
587116	Cumulative Reserve Fund-Unrestricted - TRAO	79,000	81,000	83,000	83,000
	Total Other Revenues	5,462,553	3,783,196	3,489,702	3,070,692
422111	Building Development	46,968,527	36,091,753	33,813,925	36,260,000
422115	Land Use	9,311,356	8,212,885	7,896,186	9,063,000
422130	Electrical	8,279,900	7,822,136	7,399,514	7,940,000
443694	Site Review & Development	3,022,640	2,696,000	2,794,000	2,803,000
469990	Contingent Revenues - Unaccessed	0	8,064,477	8,064,477	8,064,477
	Total Permit Fees	67,582,423	62,887,251	59,968,102	64,130,477
	Total Revenues	88,657,239	79,968,280	76,173,204	80,656,247
379100	Use of (Contribution To) Fund Balance	-20,055,115	7,621,667	6,857,762	4,200,311
	Total Use of Fund Balance	-20,055,115	7,621,667	6,857,762	4,200,311
	Total Resources	68,602,124	87,589,947	83,030,966	84,856,558

Seattle Department of Construction and Inspections

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. The purpose of this BCL includes costs of certification of installers and mechanics.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Annual Certification and Inspection	4,308,953	5,360,946	5,465,933	5,177,420
Total	4,308,953	5,360,946	5,465,933	5,177,420
Full-time Equivalents Total*	20.00	23.00	23.00	23.00

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

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.

	2016	2017	2018	2018
Expenditures/FTE	Actuals	Adopted	Endorsed	Proposed
Annual Certification and Inspection	4,308,953	5,360,946	5,465,933	5,177,420
Full-time Equivalents Total	20.00	23.00	23.00	23.00

Seattle Department of Construction and Inspections

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, deterioration of structures and properties is reduced, tenant protections are enforced, and land use and environmental codes and processes are updated.

Program Expenditures	2016	2017	2018	2018
	Actuals	Adopted	Endorsed	Proposed
Code Compliance	5,363,958	6,099,043	5,841,574	6,437,195
Code Development	945,636	1,132,916	926,188	909,423
Rental Housing	2,160,194	2,320,855	2,156,996	2,215,913
Total	8,469,788	9,552,814	8,924,758	9,562,531
Full-time Equivalents Total*	53.30	55.30	49.50	51.00

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

The following information summarizes the programs in Code Compliance Budget Control Level:

Code Compliance Program

The purpose of the Code Compliance Program is to investigate and respond to violations of code standards for the use, maintenance, management and development of real properties and buildings, facilitate compliance by property owners and other responsible parties, pursue enforcement actions against violators through the legal system, reduce the deterioration of structures and properties to reduce blight, and manage the adoption of administrative rules and response to claims.

Expenditures/FTE	2016	2017	2018	2018
	Actuals	Adopted	Endorsed	Proposed
Code Compliance	5,363,958	6,099,043	5,841,574	6,437,195
Full-time Equivalents Total	32.80	34.80	33.00	35.00

Code Development Program

The Code Development Program develops and updates the Land Use Code and other related codes to help ensure that development conforms to the goals and policies of the Comprehensive Plan, new development trends, Executive and Council priorities, and new State and federal regulations. The Code Development program works closely with the Operations Division of the department and with the Office of Planning and Community Development.

Expenditures/FTE	2016	2017	2018	2018
	Actuals	Adopted	Endorsed	Proposed
Code Development	945,636	1,132,916	926,188	909,423
Full-time Equivalents Total	5.00	5.00	4.00	4.00

Rental Housing Program

The purpose of the Rental Housing Program is to improve the quality of the rental housing stock in Seattle and investigate and respond to violations of tenant relocation and eviction regulations. By registering and inspecting all rental housing properties the program helps ensure key life, health and safety standards are met. The program provides assistance to property owners and tenants regarding relocation assistance, just cause eviction, and other duties and responsibilities of owners and tenants.

Seattle Department of Construction and Inspections

Expenditures/FTE	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Rental Housing	2,160,194	2,320,855	2,156,996	2,215,913
Full-time Equivalents Total	15.50	15.50	12.50	12.00

Construction Inspections Budget Control Level

The purpose of the Construction Inspections Budget Control Level is to provide on-site inspections of property under development.

Program Expenditures	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Building Inspections	6,249,937	6,932,369	7,069,113	6,749,947
Construction Inspections Unallocated CBA	0	2,318,752	2,318,752	2,318,752
Electrical Inspections	6,236,352	6,962,242	7,094,934	6,772,682
Signs and Billboards	359,046	400,553	407,616	389,319
Site Review and Inspection	4,412,773	5,111,229	5,206,884	5,114,594
Total	17,258,108	21,725,145	22,097,299	21,345,294
Full-time Equivalents Total*	79.00	85.00	85.00	86.00

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

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	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Building Inspections	6,249,937	6,932,369	7,069,113	6,749,947
Full-time Equivalents Total	30.00	33.00	33.00	33.00

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.

Expenditures	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Construction Inspections Unallocated CBA	0	2,318,752	2,318,752	2,318,752

Seattle Department of Construction and Inspections

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.

	2016	2017	2018	2018
Expenditures/FTE	Actuals	Adopted	Endorsed	Proposed
Electrical Inspections	6,236,352	6,962,242	7,094,934	6,772,682
Full-time Equivalents Total	31.00	33.00	33.00	33.00

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.

	2016	2017	2018	2018
Expenditures/FTE	Actuals	Adopted	Endorsed	Proposed
Signs and Billboards	359,046	400,553	407,616	389,319
Full-time Equivalents Total	1.00	1.00	1.00	1.00

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.

	2016	2017	2018	2018
Expenditures/FTE	Actuals	Adopted	Endorsed	Proposed
Site Review and Inspection	4,412,773	5,111,229	5,206,884	5,114,594
Full-time Equivalents Total	17.00	18.00	18.00	19.00

Seattle Department of Construction and Inspections

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.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Construction Permit Services Overhead Allocations	0	-6,907,552	-6,907,552	-2,271,365
Construction Permit Services Unallocated CBA	0	4,073,484	4,073,484	4,073,484
Construction Plans Administration	19,200,442	22,107,109	22,484,017	21,324,013
Operations Division Management	107,473	6,907,552	2,238,413	2,271,365
Total	19,307,914	26,180,593	21,888,362	25,397,497
Full-time Equivalents Total*	120.00	126.00	127.00	126.00

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

The following information summarizes the programs in Construction Permit Services Budget Control Level:

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.

	2016	2017	2018	2018
Expenditures	Actuals	Adopted	Endorsed	Proposed
Construction Permit Services Overhead Allocations	0	-6,907,552	-6,907,552	-2,271,365

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.

	2016	2017	2018	2018
Expenditures	Actuals	Adopted	Endorsed	Proposed
Construction Permit Services Unallocated CBA	0	4,073,484	4,073,484	4,073,484

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.

Seattle Department of Construction and Inspections

Expenditures/FTE	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Construction Plans Administration	19,200,442	22,107,109	22,484,017	21,324,013
Full-time Equivalents Total	93.00	99.00	100.00	99.00

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	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Operations Division Management	107,473	6,907,552	2,238,413	2,271,365
Full-time Equivalents Total	27.00	27.00	27.00	27.00

Department Leadership Budget Control Level

The purpose of the Department Leadership Control Level is to lead and direct department employees and to provide policy guidance and oversee relationships with the community.

Program Expenditures	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Community Engagement	0	421,621	433,174	553,068
Department Leadership Overhead Allocations	0	-14,922,949	-14,936,665	-16,510,713
Director's Office	0	894,532	919,389	926,773
Finance and Accounting Services	0	12,773,312	12,737,874	14,044,739
Human Resources	0	833,484	846,228	986,133
Total	0	0	0	0
Full-time Equivalents Total*	30.00	31.00	31.00	32.00

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

The following information summarizes the programs in Department Leadership Budget Control Level:

Community Engagement Program

The purpose of the Community Engagement 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. Community Engagement Program staff explain SDCI's responsibilities, processes, and actions; ensure that SDCI's services are clearly understood by applicants and the general public; and respond to public questions and concerns related to the department's responsibilities.

Expenditures/FTE	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Community Engagement	0	421,621	433,174	553,068
Full-time Equivalents Total	3.00	3.00	3.00	4.00

Seattle Department of Construction and Inspections

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.

Expenditures	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Department Leadership Overhead Allocations	0	-14,922,949	-14,936,665	-16,510,713

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.

Expenditures/FTE	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Director's Office	0	894,532	919,389	926,773
Full-time Equivalents Total	6.00	6.00	6.00	6.00

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	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Finance and Accounting Services	0	12,773,312	12,737,874	14,044,739
Full-time Equivalents Total	15.00	15.00	15.00	15.00

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	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Human Resources	0	833,484	846,228	986,133
Full-time Equivalents Total	6.00	7.00	7.00	7.00

Seattle Department of Construction and Inspections

Land Use Services Budget Control Level

The purpose of the Land Use Services Budget Control Level is to provide land use permitting services.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Land Use Services	13,537,893	16,653,044	17,110,471	16,518,555
Land Use Services Unallocated CBA	0	1,672,241	1,672,241	1,672,241
Public Resource Center	1,857,365	2,104,581	2,139,389	2,063,626
Total	15,395,258	20,429,866	20,922,101	20,254,422
Full-time Equivalents Total*	76.00	85.00	86.00	87.00

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

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 staff provide permit process information and regulatory expertise to inform pre-application construction project design. Land Use staff also review development concepts as part of a developer's permit application. The Land Use review process includes eliciting public input and facilitating public meetings and design review board meetings. It may also include coordination with various city and county agencies, defending project decisions during appeal to the Hearing Examiner or coordinating the department recommendation for a development application through the City Council approval process. These services are intended to ensure that development proposals are reviewed in a fair, reasonable, efficient, and predictable manner, and to ensure that the plans substantially comply with applicable codes, legal requirements, policies, and community design standards.

	2016	2017	2018	2018
Expenditures/FTE	Actuals	Adopted	Endorsed	Proposed
Land Use Services	13,537,893	16,653,044	17,110,471	16,518,555
Full-time Equivalents Total	61.00	70.00	71.00	72.00

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.

	2016	2017	2018	2018
Expenditures	Actuals	Adopted	Endorsed	Proposed
Land Use Services Unallocated CBA	0	1,672,241	1,672,241	1,672,241

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; manage the public disclosure of documents; and to preserve, maintain, and provide access to records for department staff and the public.

Seattle Department of Construction and Inspections

Expenditures/FTE	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Public Resource Center	1,857,365	2,104,581	2,139,389	2,063,626
Full-time Equivalents Total	15.00	15.00	15.00	15.00

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.

Program Expenditures	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Process Improvements and Technology	3,862,102	4,340,583	3,732,513	3,119,394
Total	3,862,102	4,340,583	3,732,513	3,119,394

Construction and Inspections Fund Table

Planning and Development Fund (15700)

	2016 Actuals	2017 Adopted	2017 Revised	2018 Endorsed	2018 Proposed
Beginning Fund Balance	40,545,641	39,387,740	60,600,756	31,766,073	55,334,772
Accounting and Technical Adjustments	0	0	0	0	0
Plus: Actual and Estimated Revenues	88,657,239	79,968,280	82,849,885	76,173,204	80,656,247
Less: Actual and Budgeted Expenditures	68,602,124	87,589,947	88,115,869	83,030,966	84,856,558
Ending Fund Balance	60,600,756	31,766,073	55,334,772	24,908,311	51,134,461
	0	101,000	101,000	101,000	0
Core Staffing	0	1,300,000	1,300,000	2,600,000	2,600,000
Process Improvements and Technology	0	0	0	1,040,000	1,040,000
Tenant Improvements	0	16,000,000	16,000,000	16,440,000	16,440,000
Total Reserves	0	17,401,000	17,401,000	20,181,000	20,080,000
Ending Unreserved Fund Balance	60,600,756	14,365,073	37,933,772	4,727,311	31,054,461

Office of Economic Development

Brian Surratt, Director

(206) 684-8090

www.seattle.gov/economicdevelopment

Department Overview

The Office of Economic Development (OED) seeks to foster an economy of sustained growth and productivity of businesses and increased prosperity of workers and enhanced standards of living for all Seattle residents—a growth that is robust, shared and enduring. OED supports a healthy business environment, empowers companies to innovate, grow and compete, while at the same time supporting low-income Seattle residents to develop their talent towards viable career paths. OED invests in five primary program areas: supporting entrepreneurs; building healthy and vibrant neighborhood business districts; developing the talent of youth and adults; attracting international investment; and investing in key industry sectors, exemplified by the work of the Office of Film and Music. The core services OED provides capitalize on Seattle's economic strengths, particularly in the industry areas of film and music, manufacturing and maritime, technology, startups, restaurants and hospitality, health care, life sciences and global health, and clean technology. To accomplish this mission, the office delivers services designed to:

- support the retention and growth of existing businesses;
- attract and establish new business via domestic and international investments;
- increase the number of low-income youth and adults who obtain the skills necessary to meet industry's needs for qualified workers;
- support small businesses and neighborhood business districts through direct funding, technical support and Business Improvement Area (BIA) formation;
- permit film and special events in a way that minimizes business impacts while ensuring public safety; and
- streamline and advance policies and practices and develop partnerships that lead to sustainable economic growth with shared prosperity.

In addition to these services, OED manages many financing programs to increase access to capital for projects from micro-loans to major capital lending. Among these financing tools are three federal programs: Individual Development Accounts (IDAs), a matched savings program in which the City provides Community Development Block Grant funds to low-income owned businesses that demonstrate savings and take business training courses; New Markets Tax Credits (NMTC) which leverage private investment in low-income communities through federal tax incentives; and U.S. Department of Housing and Urban Development (HUD) Section 108 loans which provide financing for economic development projects benefiting low and middle-income individuals. Through these programs, the department manages \$122,000 for IDAs annually, \$79 million of allocated NMTCs, all of which have been awarded, and \$34.4 million of HUD Section 108 loan capacity, of which \$9.8 million has been provided.

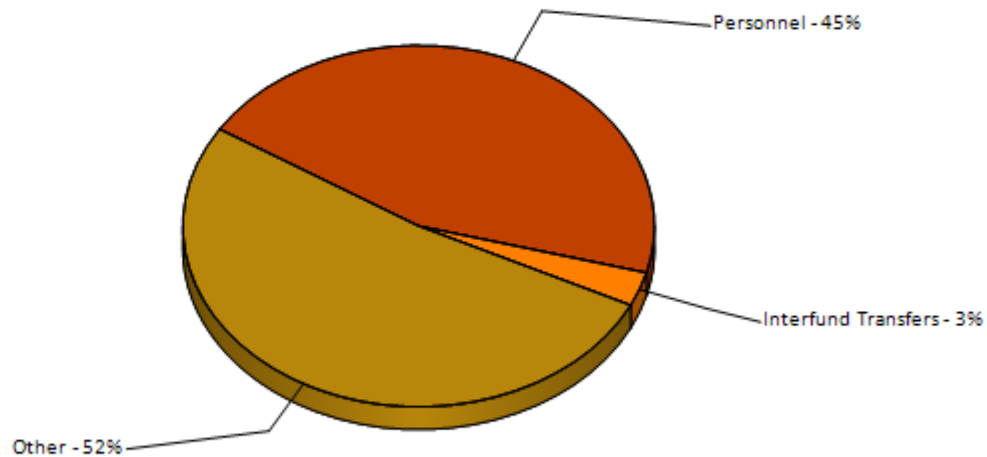
Office of Economic Development

Budget Snapshot

Department Support	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
General Fund Support	\$9,263,767	\$9,331,998	\$9,220,489	\$9,198,645
Other Funding - Operating	\$2,782,389	\$1,438,272	\$1,441,455	\$1,441,455
Total Operations	\$12,046,156	\$10,770,270	\$10,661,944	\$10,640,100
Total Appropriations	\$12,046,156	\$10,770,270	\$10,661,944	\$10,640,100
Full-time Equivalent Total*	31.00	35.50	35.50	35.50

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

2018 Proposed Budget - Expenditure by Category



Budget Overview

The 2018 Proposed Budget continues the City's commitment to grow a more equitable economy by realigning OED's existing resources and adding funding to better address the needs of those being left behind by a rapidly expanding economy. The City is committed to a vision of an affordable city for residents and small businesses alike and this proposed budget for OED will include funding to improve the economic well-being of low-income adults and youth, transgender and gender non-conforming (TGNC) people, and small businesses.

Although the proposed budget results in a net reduction in funding due to a Citywide target reduction to address budgetary constraints, this is not indicative of recent trends for OED. With this proposed budget, OED's funding

Office of Economic Development

will have grown by over 8%, adding over \$700,000, since the 2014 Adopted Budget. Over this same period, OED grew by the equivalent of 10 full-time positions or almost 40%. These positions provide resources for OED to support department initiatives such as Access Seattle business outreach, enhancing Startup sector support, international business development, special events permitting, economic intelligence, youth employment, pre-construction planning and outreach for small businesses, and nightlife.

The proposed budget also makes a minor technical adjustment that results in net-zero transfer.

Equitable Economy

Although Seattle's economy continues to be one of the strongest in the nation, boasting high wages and a low unemployment rate, there are still many residents who struggle to gain a foothold. This is especially true for low-income youth and adults or people who suffer from discrimination. The proposed budget aims to improve the economic well-being of low-income working adults, vulnerable youth, and TGNC people.

The proposed budget will reallocate existing resources to support the College for Working Adults, in partnership with the Seattle College District. This program is designed to promote the success of working adults seeking certificates in technical and high-demand occupations.

The proposed budget will also reallocate existing resources to improve the City's efforts at helping low-income, often ethnic minority youth gain internships in the public and private sector. The 2016 Adopted Budget invested in a non-profit intermediary to support the development of the Youth Employment Initiative to improve the long-term employment prospects of low-income youth, aged 14-24. The reallocation within this program's budget recognizes efficiencies in the current program and aims to boost employer recruitment and help students prepare for their internships. There will also be an elimination of a consulting contract that is no longer necessary as the 2017 Adopted Budget added sufficient staffing capacity.

Finally, the proposed budget will add funding for a pilot expansion of a transgender economic empowerment program. The Ingersoll Gender Center, a local nonprofit dedicated to supporting transgender and gender non-conforming (TGNC) individuals, delivers programming to provide legal, housing, employment, and health care assistance to TGNC residents. TGNC people disproportionately suffer from homelessness, unemployment, and poor health care outcomes. The City expects this investment to help Ingersoll develop a more sustainable program model to continue to improve the economic well-being of TGNC people.

New Market Tax Credit Program Investment Changes

New Market Tax Credits (NMTC) are federal credits that incentivize community development and economic growth in low-income areas. The City created the Seattle Investment Fund LLC (SIF) in 2008 to apply for and receive NMTCs. The SIF earns fees from managing these projects and uses these fees to fund the City's NMTC programming and invest in small business projects to spur broader economic development. It is recommended that SIF use excess fee reserves to provide funding to address the commercial affordability needs of small business. This recommendation is one of the priorities identified by the Commercial Affordability Advisory Committee in 2016.

Since the SIF has not been awarded new NMTC allocations since 2016 and is unlikely to be awarded any new allocations in the near future, they will no longer receive fees to manage new projects. Although the SIF will continue receive fees for managing existing projects, there will be an ongoing loss to the City's General Fund.

Service Provider Contract Reductions

Due to budgetary constraints, the proposed budget will reduce three service provider contracts: Port Jobs, the AFL-CIO Worker Center, and the Downtown Seattle Association (DSA). The contract with Port Jobs will be reduced but will still provide enough funding for operational support of the program that aims to help Seattle-area residents gain airport-related employment. The contract with the Worker Center, an entity of the King County AFL-CIO, will be eliminated as the Worker Center program no longer exists. The contract with the DSA to provide certain types of direct assistance to small businesses in the downtown core will also be eliminated. OED does

Office of Economic Development

provide or fund other direct assistance to small businesses, including technical and financial assistance.

Technical Adjustment

There is a minor technical adjustment to transfer funding across account groups. This net-zero transfer will not impact policy or services.

Incremental Budget Changes

Office of Economic Development

	2018	
	Budget	FTE
Total 2018 Endorsed Budget	\$ 10,661,944	35.50
Baseline Changes		
Citywide Adjustments for Standard Cost Changes	\$ 11,156	0.00
Proposed Changes		
College for Working Adults	\$ 0	0.00
Improving Youth Employment	-\$ 25,000	0.00
Transgender Economic Empowerment	\$ 100,000	0.00
New Market Tax Credit Program Investment Changes	\$ 0	0.00
Service Provider Contract Reductions	-\$ 108,000	0.00
Proposed Technical Changes		
Technical Adjustment	\$ 0	0.00
Total Incremental Changes	-\$ 21,844	0.00
2018 Proposed Budget	\$ 10,640,100	35.50

Descriptions of Incremental Budget Changes

Baseline Changes

Citywide Adjustments for Standard Cost Changes - \$11,156

Citywide technical adjustments made in the baseline phase reflect changes to internal services costs, health care, and industrial insurance charges for the department. These adjustments reflect initial assumptions about these costs and inflators early in the budget process. They also include minor adjustments to align resources with available CDBG funding.

Office of Economic Development

Proposed Changes

College for Working Adults

This item reallocates \$100,000 from the department's Seattle Jobs Initiative (SJI) contract to support the College for Working Adults (CWA) in partnership with the Seattle College District. This program makes it easier for low-income workers to continue with and complete their studies, improving their ability to earn better pay. This reallocation will not result in major service impacts to SJI.

Improving Youth Employment - (\$25,000)

This item includes the elimination of a consultant contract and a repurposing of \$100,000 within the budget for the Youth Employment Initiative (YEI) to better stabilize and grow the City's efforts at placing youth interns. OED no longer needs a consultant to provide additional capacity as it now has a full-time position to staff work related to youth employment.

The 2017 Adopted Budget increased funding of Educurious, the intermediary responsible for YEI employer engagement, to a total of \$600,000 per year. Educurious facilitates relationships between the City, employers, and interns and recruit employers. The budget recognizes efficiencies in Educurious' work which will allow OED to repurpose \$100,500 of their funding towards a pilot program in the Seattle Public Schools (SPS) and engage the Seattle Region Partnership (SRP) in enhanced employer engagement work. Up to \$50,000 will fund a pilot program to connect students with a career specialist who will provide career information, help students apply for summer internships or jobs and prepare for interviews. This pilot is intended to enhance the career connected opportunities afforded SPS students by identifying sector-specific experiences for youth. The remaining \$50,000 will support additional employer activities at SRP, to focus attention and interest on youth internship and jobs, generate employer engagement and convene employers around youth internships or jobs. The goal of this work is to generate new employer leads to Educurious to increase the number of internships and jobs offered through YEI.

Transgender Economic Empowerment - \$100,000

This item provides one-time funding for a pilot expansion of an existing program run by the non-profit Ingersoll Gender Center. The Center runs an economic empowerment project to help transgender and gender non-conforming (TGNC) residents receive health care, legal, and employment assistance. TGNC people are disproportionately affected by poverty, unemployment, homelessness, and poor health care outcomes. This pilot aims to support the organization to look for sustainable ways to expand their program and effectively measure its impact to better help TGNC people improve their economic well-being.

New Market Tax Credit Program Investment Changes

This item covers the City's participation in the New Market Tax Credit (NMTC) program. New Market Tax Credits (NMTC) are federal credits against federal income taxes that private investors claim in exchange for providing financing for the benefit of businesses or real estate projects in economically distressed areas. The Seattle Investment Fund LLC (SIF), an entity created by the City in 2008 to apply for and receive NMTCs, uses these credits to finance development of projects in economically distressed areas. The SIF earns one-time fees from the private investors to manage these projects and use these fees to fund the City's NMTC programming and invest in small business projects to spur broader economic development. It is recommended that SIF use excess reserves of \$881,000 to provide one-time funding for commercial affordability projects for small business such as tenant improvements and manufacturing incubator projects. This is in line with the priorities identified by the Commercial Affordability Advisory Committee in 2016.

The SIF has not been awarded new NMTC allocations since 2016 and is unlikely to be awarded any new allocations in the near future. This means the SIF will no longer receive fees to manage new projects, however,

Office of Economic Development

will continue to earn fees from its management of existing projects. This will result in a loss to the City's General Fund of \$117,000 in 2018 and will be an ongoing reduction. This reduction is reflected on the revenue side of the budget.

Service Provider Contract Reductions - (\$108,000)

This item includes reductions to three service provider contracts to meet budgetary constraints: Port Jobs, the AFL-CIO Worker Center, and the Downtown Seattle Association (DSA).

The Port Jobs contract will be reduced from \$73,000 to \$50,000. Port Jobs is a non-profit funded in part by the Port of Seattle that provides employment and training opportunities for Seattle-area residents seeking airport-related jobs. This cut will be less than 2% of Port Jobs' overall budget.

The King County AFL-CIO Worker Center contract is eliminated as the program dissolved in 2016. The Center provided readjustment services to employers and workers, including providing these services to the Seattle-King County Rapid Response Team to assist businesses and employers facing worker dislocation. With the dissolution of the Center, the Washington State Labor Council is now the labor representative on the Team and there are no anticipated service level changes for those who use these services.

The DSA contract is eliminated. Funding that was used for this contract will be reduced from \$50,000 to \$5,000 and the remaining funds will be reprogrammed to other higher priority contracts. The DSA contract helped fund a position to provide direct assistance to small businesses in downtown, including visits to women- and minority-owned businesses to help them problem-solve and gather information on business trends. There is no OED staff capacity available to replace these specific services; however, OED does provide or fund other direct assistance to small businesses including technical and financial assistance.

Proposed Technical Changes

Technical Adjustment

This item includes a net-zero transfer between account groups, moving \$250,000 from the unidentified account group to professional services.

Office of Economic Development

Expenditure Overview

Appropriations	Summit Code	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
CDBG - Office of Economic Development Budget Control Level	6XD10	2,782,389	1,438,272	1,441,455	1,441,455
Office of Economic Development Budget Control					
Business Services		7,700,904	7,939,217	7,797,586	7,670,709
Economic Development Leadership		580,313	556,519	571,040	672,903
Finance and Operations		982,550	836,262	851,863	855,033
Total	X1D00	9,263,767	9,331,998	9,220,489	9,198,645
Department Total		12,046,156	10,770,270	10,661,944	10,640,100

Department Full-time Equivalents Total*	31.00	35.50	35.50	35.50
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** FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.*

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 provide operating, grant, loan, and project management support to neighborhood business districts and community-based development organizations, as well as for special projects, for the goal of creating thriving neighborhoods and broadly-shared prosperity.

Program Expenditures	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Economic Development	2,782,389	1,438,272	1,441,455	1,441,455
Total	2,782,389	1,438,272	1,441,455	1,441,455

Office of Economic Development

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.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Business Services	7,700,904	7,939,217	7,797,586	7,670,709
Economic Development Leadership	580,313	556,519	571,040	672,903
Finance and Operations	982,550	836,262	851,863	855,033
Total	9,263,767	9,331,998	9,220,489	9,198,645
Full-time Equivalents Total*	31.00	35.50	35.50	35.50

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

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, facilities 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.

	2016	2017	2018	2018
Expenditures/FTE	Actuals	Adopted	Endorsed	Proposed
Business Services	7,700,904	7,939,217	7,797,586	7,670,709
Full-time Equivalents Total	25.00	29.00	29.00	29.00

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.

	2016	2017	2018	2018
Expenditures/FTE	Actuals	Adopted	Endorsed	Proposed
Economic Development Leadership	580,313	556,519	571,040	672,903
Full-time Equivalents Total	4.00	4.00	4.00	4.00

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.

	2016	2017	2018	2018
Expenditures/FTE	Actuals	Adopted	Endorsed	Proposed
Finance and Operations	982,550	836,262	851,863	855,033
Full-time Equivalents Total	2.00	2.50	2.50	2.50

Office of Housing

Steve Walker, Director

(206) 684-0721

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

Department Overview

The mission of the Office of Housing (OH) is to build strong healthy communities and increase opportunities for people of all income levels to live in our city. To accomplish this mission, OH has four program areas:

- Multi-Family Production and Preservation;
- Homeownership and Sustainability;
- Policy and Program Development; and
- Administration and Management.

The **Multi-Family Production and Preservation** program employs the Housing Levy and other federal and local 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 that the policy objectives of the City are achieved and the units remain in good condition. The portfolio now includes over 300 buildings with more than 13,000 units, representing a significant investment of City and other funding in affordable housing over 35 years.

The **Homeownership and Sustainability** program includes three sub-programs to assist low-income households:

- The **Homeownership Assistance Program** supports first-time homebuyers and existing low-income homeowners through down payment assistance loans, subsidies for permanently affordable homes, and foreclosure prevention loans.
- The **Home Repair Program** provides grants or no- to low-interest loans to assist with critical home repairs.
- The **HomeWise Weatherization Program** provides grants to increase energy efficiency and lower utility costs for low-income residents in both single-family and multifamily properties.

The **Policy and Program Development** program establishes long-term strategic plans, develops and implements policy-based tools, and addresses housing-related aspects of citywide land use and community development planning. Key components of this program include expanding resources for affordable housing and homelessness programs, creating and administering incentive programs to advance housing affordability goals, and coordinating disposition of vacant land for redevelopment purposes to increase housing opportunities for Seattle residents.

The **Administration and Management** program provides centralized leadership, coordination, technology, contracting, and financial management services to OH programs and capital projects.

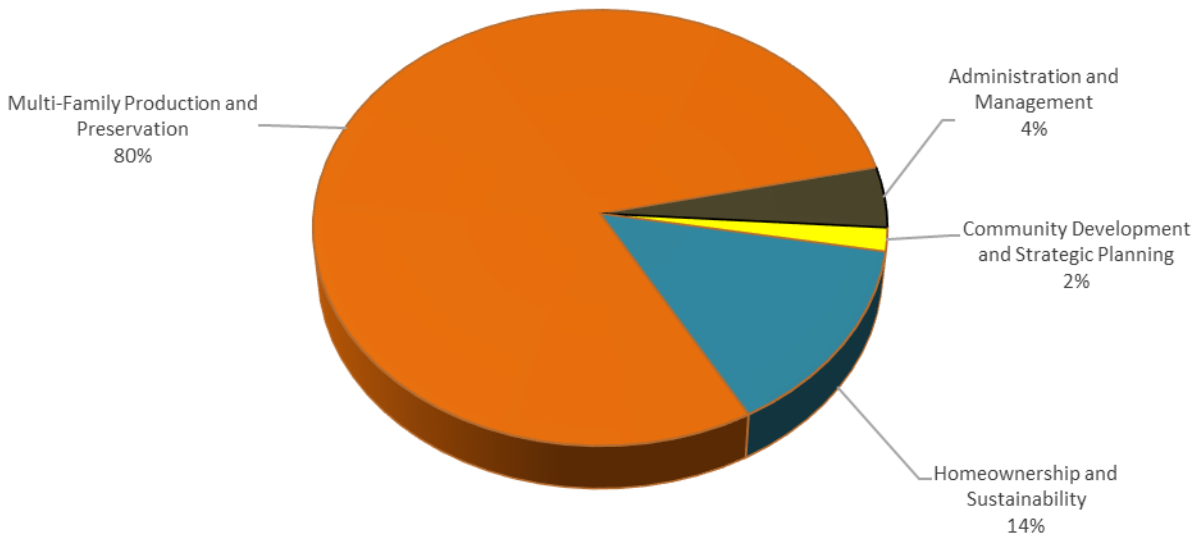
Office of Housing

Budget Snapshot

Department Support	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
General Fund Support	\$416,385	\$29,242,950	\$143,120	\$318,740
Other Funding - Operating	\$39,656,929	\$67,963,782	\$68,072,119	\$68,404,511
Total Operations	\$40,073,314	\$97,206,732	\$68,215,239	\$68,723,251
Total Appropriations	\$40,073,314	\$97,206,732	\$68,215,239	\$68,723,251
Full-time Equivalent Total*	43.50	42.50	43.50	44.50

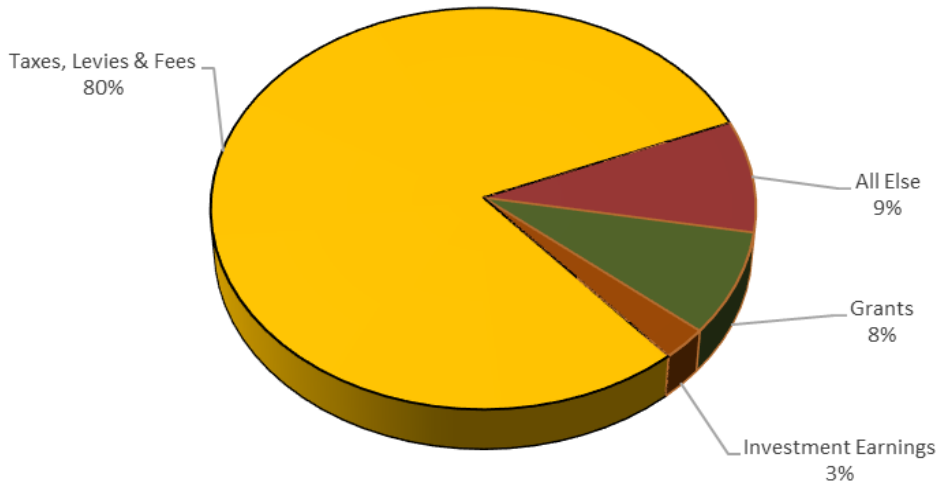
* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

2018 Proposed Budget - Expenditure by Category



Office of Housing

2018 Proposed Budget - Revenue by Category



Budget Overview

For 35 years, the Office of Housing (OH) has managed investments from the Seattle Housing Levy and other state and federal sources to fund the preservation and production of affordable apartments and homes. OH also develops policies and manages programs that support further affordable housing production. To date, OH has invested in the development or preservation of over 13,000 affordable rental homes throughout the city, incentivized production of more than 3,000 additional rent-restricted apartments, helped 900 families purchase their first home, provided emergency rental assistance to 6,500 households, and provided weatherization and home repair services to thousands of low-income households throughout Seattle.

OH invests more than \$40 million per year to help affordable housing developers renovate or construct hundreds of affordable multifamily rental units each year. OH provides these awards via long-term loans that can fund land acquisition, predevelopment, and construction expense. The Seattle Housing Levy is the main source of funding, as well as proceeds generated through the Mandatory Housing Affordability (MHA). OH investments are heavily leveraged with other sources, including Low Income Tax Credits awarded by the Washington State Housing Finance Commission.

In August 2016 Seattle voters approved a seven-year, \$290-million housing levy to produce affordable housing for seniors, people with disabilities, low-wage workers, and people experiencing homelessness. The levy will also provide funding for homelessness prevention and homeownership assistance. This levy replaces the 2009 Housing Levy which expired at the end of 2016. The following programs will be funded under the new levy:

Office of Housing

Program	Program Description	Total Funding (7 Years)	Estimated Housing Produced/Households Assisted
Rental Production and Preservation	Funds new construction or preservation of rental housing for low-income households, including people with disabilities, the elderly, homeless individuals and families, low-wage working people, and families with children.	\$201,000,000	2,150 units produced or preserved 350 units reinvested
Operating and Maintenance	Operating support for levy-funding buildings. Supplements rent paid by residents at or below 30% of median income.	\$42,000,000	510 units supported
Homelessness Prevention and Housing Stability Services	Short-term rent assistance and stability services for low-income individuals and families.	\$11,500,000	4,500 households assisted
Homeownership	Down payment assistance loans, one-time loans to prevent foreclosure and emergency home repair grants.	\$9,500,000	280 households assisted
Acquisition and Preservation	Short-term acquisition loans for purchases of building or land for rental or homeownership development.	<i>Up to \$30,000,000 (Loans will be made with Levy proceeds not yet needed for other Levy programs.)</i>	
Administration	Supports staff and operations at the Office of Housing and the Human Services Department.	\$26,000,000	N/A
Total		\$290,000,000	

To address concerns from human service advocates and individuals experiencing homelessness, business districts, and neighborhoods, the City convened the Task Force on Unsanctioned Encampment Protocols in late 2016 to evaluate the City's response to the growing number of individuals living unsheltered. The task force made a series of recommendations to modify how City departments engage with individuals living in encampments. In February 2017, the City opened the Emergency Operations Center to convene City departments to speed implementation of these recommendations and create a focused, integrated and sustainable Citywide response.

The 2018 Proposed Budget provides funding for this response in several City departments, focused around three key areas:

1. creating safer places for individuals living unsheltered;

Office of Housing

2. connecting individuals living unsheltered with services; and
3. reducing the impact of living unsheltered on individuals and the surrounding environment.

In alignment with the City's Pathways Home homelessness policy framework and United States Interagency Council on Homelessness (USICH) best practices, increased focus must be placed on resources that move people into permanent housing. Seattle's vacancy rate is 2% and rents have increased 43% in the past four years. In the 2016 Homeless Needs Assessment, 36% of individuals reported the inability to pay rent either through loss of job or through rent increases as the event that directly led to their current episode of homelessness. As part of the City's integrated and sustained response to create more safe spaces for individuals living unsheltered, OH helped establish the Housing Resource Center, which will replace what was formerly known as the Landlord Liaison Project. A joint effort between King County, the City of Seattle, All Home, and United Way of King County, the Housing Resource Center will:

- create a new initiative to connect those experiencing homelessness with private market and subsidized housing; and
- provide support to partner landlords with risk reduction funds for eligible tenants.

The 2018 Proposed Budget adds a new staff position to work with existing OH asset management staff and other public funders to focus on tenant placements in existing rent and income-restricted rental housing. The position will help OH foster relationships with owners of subsidized housing and enhance opportunities to preserve private market affordable housing. This body of work will also connect affordable housing not currently dedicated to individuals or families earning under 30% AMI to the Housing Resource Center. The goal is to avail existing subsidized units to homeless persons being placed into permanent housing. For additional information, see the 2018 Proposed Budget Executive Summary in the Introduction section of this proposed budget.

In the 2017 Adopted and 2018 Endorsed Budget, Council added \$200,000 in 2017 and \$200,000 in 2018 to fund community planning and project feasibility work for development of affordable housing on publicly owned land in the City. In 2017 OH entered into a consultant contract for the \$200,000 that was provided in the 2017 Adopted Budget. The consultant secured additional funding partners for a portion of this body of work. The 2018 Proposed Budget maintains \$125,000 to fund the balance of the effort.

In 2016, the City instituted a new initiative, the Duwamish Valley Program, to align and coordinate City departments in delivering actions to achieve environmental justice and equitable development in the Duwamish Valley. Work to date in 2017 has included in-depth departmental coordination by the Duwamish Action Team (DAT), co-led by staff from the Office of Planning and Community Development (OPCD) and the Office of Sustainability and Environment (OSE). The 2018 Proposed Budget contains a multi-departmental focus on improving outcomes related to environmental justice and equity in the Duwamish Valley. In 2018, the City will add incremental funding to OH to install "weatherization-plus-health" measures in homes in the Duwamish area that have at least one household member with a documented case of asthma. Examples of weatherization-plus-health measures include bathroom and kitchen fans to improve ventilation, removing and replacing old carpeting with new flooring, and pest infestation clean-up and prevention. Asthma is of particular concern in the Duwamish Valley, which has childhood asthma hospitalization rates more than twice the county average. These measures can help reduce the symptoms of asthma and related negative consequences, such as missed work, missed school and increased trips to doctors or the emergency room. See the write up in the Office of Sustainability and Environment (OSE) for a full description of all the investments in the Duwamish area in the 2018 Proposed Budget.

Finally, the 2018 Proposed Budget contains funding from existing OH fund balance for consultant services to conduct an IT assessment of the Office of Housing and identify possible improvements. The Office of Housing can better serve the public by shifting from paper-based processes and reporting to business standard reporting processes that are supported by database and web-based systems.

Budget Performance Measures

The Office of Housing participated in the Budget Performance Measures pilot. This pilot explores use of the annual

Office of Housing

budget book to discuss and display performance measures and related financial information for City departments. A more in-depth description of this pilot and its objectives can be found in the Budget Performance Measures section in the 2018 Proposed Budget introduction.

As part of this project, the Office of Housing worked with the City Budget Office to:

1. identify and present service area workload performance measures;
2. present actual and estimated achievements for each measure; and
3. present specific budgetary appropriations and position authorities associated with each measure, as appropriate.

The Budget Performance Measures section in the 2018 Proposed Budget introduction contains detailed descriptions of the Office of Housing’s performance measures, including:

- 2016 Housing Levy status
- City funds awarded for rental production
- City funds expended for weatherization

Incremental Budget Changes

Office of Housing

	2018	
	Budget	FTE
Total 2018 Endorsed Budget	\$ 68,215,239	43.50
Baseline Changes		
Citywide Adjustments for Standard Cost Changes	\$ 12,667	0.00
Proposed Changes		
Sustained and Integrated Citywide Response for Individuals Living Unsheltered	\$ 111,959	1.00
Shift Consulting Funds from Finance General to Office of Housing	\$ 125,000	0.00
Weatherization-Plus-Health in the Duwamish Area	\$ 50,000	0.00
IT Assessment and Improvements	\$ 208,386	0.00
Total Incremental Changes	\$ 508,012	1.00
2018 Proposed Budget	\$ 68,723,251	44.50

Office of Housing

Descriptions of Incremental Budget Changes

Baseline Changes

Citywide Adjustments for Standard Cost Changes - \$12,667

Citywide technical adjustments made in the baseline phase reflect changes to internal services costs, health care, and industrial insurance charges for the department. These adjustments reflect initial assumptions about these costs and inflators early in the budget process.

Proposed Changes

Sustained and Integrated Citywide Response for Individuals Living Unsheltered - \$111,959/1.00 FTE

To address concerns from business districts, neighborhoods, human service advocates and individuals experiencing homelessness, the City created the Task Force on Unsanctioned Encampment Protocols in late 2016 to evaluate the City's response to the growing number of individuals living unsheltered. The task force made a series of recommendations to modify how City departments engage with individuals living in encampments. In February 2017, the City opened the Emergency Operations Center to convene City departments to speed implementation of these recommendations and create a focused, integrated and sustainable Citywide response.

The 2018 Proposed Budget provides funding for this response in several City departments, focused around three key areas:

1. creating safer places for individuals living unsheltered;
2. connecting individuals living unsheltered with services; and
3. reducing the impact of living unsheltered on individuals and the surrounding environment.

This adjustment adds a Community Development Specialist position to OH's asset management team to focus on tenant placements in existing rent and income restricted rental housing. The goal is to avail existing subsidized units to homeless persons being placed into permanent housing under the Housing Resource Center model recommended under [Pathways Home](#). The position will be paid for with Levy Administration dollars.

Additional funding in the 2018 Proposed Budget related to this Citywide response is part of a single program implemented by multiple departments. For additional information, see the 2018 Proposed Budget Executive Summary in the Introduction section of this proposed budget.

Shift Consulting Funds from Finance General to Office of Housing - \$125,000

In the 2017 Adopted and 2018 Endorsed Budgets, Council added \$200,000 in 2017 and \$200,000 in 2018 through [Green Sheet 228-1-A-1](#) to fund community planning and feasibility work for development of affordable housing on publicly owned land. The Office of Housing worked with Enterprise Community Partners and the Seattle City Council to define the scope of work as follows:

- Produce a usable inventory of public and tax-exempt sites filterable by elements of site suitability for housing, early learning and other education facilities.
- Fund early-stage feasibility work to advance projects prior to developer selection on high priority sites.
- Organize community partners and build their capacity to develop the sites, as well as support

Office of Housing

negotiations with public owners to obtain favorable purchase terms.

In 2017 OH entered into a consultant contract with Enterprise for the \$200,000 that was provided in the 2017 Adopted Budget. The 2017 1st Quarter Supplemental Budget Ordinance moved \$200,000 from Finance General to OH so that OH could perform the required work.

In 2018, with the addition of new funding partners on the Hope & Home Initiative, the site inventory task is now being funded by the Gates Foundation. For 2018, OH will continue to contract with Enterprise for work concerning due diligence studies for specific parcels. This adjustment in the 2018 Proposed Budget transfers \$125,000 of the 2018 funding from Finance General to OH. The General Fund will retain \$75,000.

Weatherization-Plus-Health in the Duwamish Area - \$50,000

This item provides incremental funding to install weatherization plus health measures in Duwamish area homes that have at least one household member with asthma. Measures could include improved ventilation, pest infestation reduction and prevention, and replacement of old carpeting. The Office of Housing already provides weatherization-plus-health measures citywide with funding from the state. This incremental increase with City General Fund dollars allows an additional focus in the Duwamish Valley, which has been identified as a neighborhood that will receive coordinated focus by the City to achieve environmental justice and equitable development. Please see the Duwamish Valley Program description in the Office of Sustainability and Environment Budget Overview for additional information on this work

IT Assessment and Improvements - \$208,386

This adjustment adds funding for consulting services to conduct an Information Technology (IT) assessment of the Office of Housing and identify possible improvements. The purpose of this work is to meet the Office of Housing's growing IT needs and serve the public most effectively. The work will explore seven areas of IT assessment and possible improvement:

1. Mandatory Housing Affordability (MHA) Data Management
2. Multifamily Tax Exemption (MFTE) Data Management
3. Loan Servicing
4. Comprehensive Subsidized Housing Data Management
5. Electronic Notice of Funding Availability (NOFA) Application
6. Electronic HomeWise and Home Repair Applications
7. Electronic Multifamily Tax Exemption (MFTE) Application

The IT work will be paid for with existing OH fund balance representing Levy administration and Incentive Zoning administration dollars.

Office of Housing

Expenditure Overview

Appropriations	Summit Code	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
CDBG - Office of Housing Budget Control					
Homeownership and Sustainability - CDBG		518,306	826,191	823,187	823,187
Multi-Family Production and Preservation - CDBG		743,199	748,257	570,227	570,227
Strategic Planning, Resource, and Program Development - CDBG		612,919	152,397	155,213	155,213
Total	6XZ10	1,874,424	1,726,845	1,548,627	1,548,627
Low-Income Housing Fund 16400 Budget Control					
Homeownership and Sustainability - 16400		3,171,419	7,387,325	7,387,325	7,419,825
Multi-Family Production and Preservation - 16400		29,638,056	81,429,721	52,550,721	52,550,721
Total	XZ-R1	32,809,475	88,817,046	59,938,046	59,970,546
Office of Housing Operating Fund 16600 Budget Control					
Administration and Management - 16600		2,464,937	2,983,363	2,745,058	3,082,304
Community Development - 16600		688,950	910,602	1,048,247	1,050,538
Homeownership and Sustainability - 16600		1,139,503	1,387,066	1,429,441	1,450,602
Multi-Family Production and Preservation - 16600		1,096,026	1,381,810	1,505,820	1,620,634
Total	XZ600	5,389,415	6,662,841	6,728,566	7,204,078
Department Total		40,073,314	97,206,732	68,215,239	68,723,251
Department Full-time Equivalent Total*		43.50	42.50	43.50	44.50

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

Office of Housing

Revenue Overview

2018 Estimated Revenues

Summit Code	Source	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
433010	Community Development Block Grant	1,874,424	1,726,845	1,548,627	1,548,627
	Total CDBG Grants	1,874,424	1,726,845	1,548,627	1,548,627
411100	Property Tax Levy	17,877,890	37,862,143	37,862,143	37,862,143
433010	Federal Grants - Weatherization	706,561	632,734	632,734	632,734
434010	State Grants - Weatherization	166,429	975,000	975,000	975,000
445810	Bonus/MHA Capital	20,192,849	18,000,000	18,000,000	18,000,000
461110	Investment Earnings	2,065,394	2,000,000	2,000,000	2,000,000
469930	Program Income	7,542,565	4,000,000	4,000,000	4,000,000
471010	Federal Grants-HOME Program	259,508	2,262,246	2,262,246	2,262,246
569990	Local Grants-Weatherization	1,823,861	1,632,000	1,665,000	1,665,000
587001	General Subfund Support	0	29,000,000	0	32,500
	Total Low-Income Housing Fund Grants	50,635,057	96,364,123	67,397,123	67,429,623
411100	Levy Administration	1,808,885	3,566,429	3,566,429	3,566,429
433010	Federal Grants-Weatherization	409,575	753,226	753,226	753,226
434010	State Grants-Weatherization	114,952	232,000	232,000	232,000
445800	MFTE application fees	92,453	120,000	120,000	160,000
445810	Bonus/MHA Administration	1,562,829	2,000,000	2,000,000	2,000,000
462900	Other Rents and Use Charges	20,311	0	0	0
469990	Miscellaneous Revenue	147,704	0	0	0
471010	HOME Administration	189,589	226,224	226,224	226,224
541490	City Light Administration	977,994	760,000	775,000	775,000
587001	General Subfund Support	416,385	242,950	143,120	286,240
	Total Office of Housing All Else	5,740,677	7,900,829	7,815,999	7,999,119
	Total Revenues	58,250,158	105,991,797	76,761,749	76,977,369
379100	Use of (Contribution To) Fund Balance	-17,825,582	-7,547,077	-7,459,077	-7,459,077
	Total Low-Income Housing Fund Grants	-17,825,582	-7,547,077	-7,459,077	-7,459,077
379100	Use of (Contribution To) Fund Balance	-351,262	-1,237,988	-1,087,433	-795,041
	Total Office of Housing All Else	-351,262	-1,237,988	-1,087,433	-795,041
	Total Resources	40,073,314	97,206,732	68,215,239	68,723,251

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.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Homeownership and Sustainability - CDBG	518,306	826,191	823,187	823,187
Multi-Family Production and Preservation - CDBG	743,199	748,257	570,227	570,227
Strategic Planning, Resource, and Program Development - CDBG	612,919	152,397	155,213	155,213
Total	1,874,424	1,726,845	1,548,627	1,548,627
Full-time Equivalents Total*	1.00	1.00	1.00	1.00

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

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 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.

	2016	2017	2018	2018
Expenditures	Actuals	Adopted	Endorsed	Proposed
Homeownership and Sustainability - CDBG	518,306	826,191	823,187	823,187

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.

	2016	2017	2018	2018
Expenditures	Actuals	Adopted	Endorsed	Proposed
Multi-Family Production and Preservation - CDBG	743,199	748,257	570,227	570,227

Office of Housing

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.

Expenditures/FTE	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Strategic Planning, Resource, and Program Development - CDBG	612,919	152,397	155,213	155,213
Full-time Equivalents Total	1.00	1.00	1.00	1.00

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.

Program Expenditures	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Homeownership and Sustainability - 16400	3,171,419	7,387,325	7,387,325	7,419,825
Multi-Family Production and Preservation - 16400	29,638,056	81,429,721	52,550,721	52,550,721
Total	32,809,475	88,817,046	59,938,046	59,970,546

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 a range of support to low-income Seattle residents: loans for first-time home buyers, foreclosure prevention loans, home repair loans to address health and safety and code repairs, home repair grants, and grants to make low-income housing more energy efficient.

Expenditures	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Homeownership and Sustainability - 16400	3,171,419	7,387,325	7,387,325	7,419,825

Office of Housing

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.

Expenditures	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Multi-Family Production and Preservation - 16400	29,638,056	81,429,721	52,550,721	52,550,721

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.

Program Expenditures	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Administration and Management - 16600	2,464,937	2,983,363	2,745,058	3,082,304
Community Development - 16600	688,950	910,602	1,048,247	1,050,538
Homeownership and Sustainability - 16600	1,139,503	1,387,066	1,429,441	1,450,602
Multi-Family Production and Preservation - 16600	1,096,026	1,381,810	1,505,820	1,620,634
Total	5,389,415	6,662,841	6,728,566	7,204,078
Full-time Equivalents Total*	42.50	41.50	42.50	43.50

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

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.

Expenditures/FTE	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Administration and Management - 16600	2,464,937	2,983,363	2,745,058	3,082,304
Full-time Equivalents Total	11.00	10.00	10.00	10.00

Community Development - 16600 Program

Office of Housing

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.

Expenditures/FTE	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Community Development - 16600	688,950	910,602	1,048,247	1,050,538
Full-time Equivalents Total	5.00	5.00	6.00	6.00

Homeownership and Sustainability - 16600 Program

The Homeownership and Sustainability -16600 Program provides a range of supports to low-income Seattle residents: loans for first-time home-buyers, subsidies for development of permanently affordable homes, foreclosure prevention loans, home repair loans to address health and safety and code repairs, home repair grants, and grants to make low-income housing more energy efficient.

Expenditures/FTE	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Homeownership and Sustainability - 16600	1,139,503	1,387,066	1,429,441	1,450,602
Full-time Equivalents Total	14.00	14.00	14.00	14.00

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.

Expenditures/FTE	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Multi-Family Production and Preservation - 16600	1,096,026	1,381,810	1,505,820	1,620,634
Full-time Equivalents Total	12.50	12.50	12.50	13.50

Office of Housing

Housing Fund Table

Low-Income Housing Fund (16400)

	2016 Actuals	2017 Adopted	2017 Revised	2018 Endorsed	2018 Proposed
Beginning Fund Balance	136,769,237	140,649,105	153,390,701	148,196,182	160,970,778
Accounting and Technical Adjustments	-1,204,118	0	0	0	0
Plus: Actual and Estimated Revenues	50,635,057	96,364,123	96,397,123	67,397,123	67,429,623
Less: Actual and Budgeted Expenditures	32,809,475	88,817,046	88,817,046	59,938,046	59,970,546
Ending Fund Balance	153,390,701	148,196,182	160,970,778	155,655,259	168,429,855
Continuing Appropriations	121,814,072	110,823,991	123,598,587	118,283,068	127,128,621
Operating & Maintenance Reserves (Unencumbered)	31,576,629	35,581,477	35,581,477	35,581,477	39,510,520
Transfer to HSD for Rental Assistance	0	1,790,714	1,790,714	1,790,714	1,790,714
Total Reserves	153,390,701	148,196,182	160,970,778	155,655,259	168,429,855
Ending Unreserved Fund Balance	0	0	0	0	0

Office of Housing (16600)

	2016 Actuals	2017 Adopted	2017 Revised	2018 Endorsed	2018 Proposed
Beginning Fund Balance	1,882,928	2,234,188	2,234,190	3,472,176	3,252,178
Accounting and Technical Adjustments	0	0	0	0	0
Plus: Actual and Estimated Revenues	5,740,677	7,900,829	8,230,829	7,815,999	7,999,119
Less: Actual and Budgeted Expenditures	5,389,415	6,662,841	7,212,841	6,728,566	7,204,078
Ending Fund Balance	2,234,190	3,472,176	3,252,178	4,559,609	4,047,219
Ending Unreserved Fund Balance	2,234,190	3,472,176	3,252,178	4,559,609	4,047,219

Office of Housing

Neighborhood Matching Subfund

Department Overview

The Department of Neighborhoods (DON) serves residents of Seattle by providing programmatic support and building inclusive partnerships to ensure that they receive equitable access to government. DON administers the Neighborhood Matching Fund (NMF) with a mission to provide grant resources for Seattle's communities to preserve and enhance the city's diverse neighborhoods, provide residents opportunities to make positive impacts, and build partnerships between the City and communities.

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 funding that is matched by the community's contribution of volunteer labor, donated materials and professional services, or cash. Applications are accepted from residents, businesses, community-based organizations, and ad hoc groups of neighbors that form a committee for a specific project. There are three categories of NMF awards:

- Large Projects Fund (awards up to \$100,000);
- Small and Simple Projects Fund (awards up to \$25,000); and
- Small Sparks Fund (awards up to \$5,000).

Staff coordinate with the Department of Parks and Recreation, Seattle Department of Transportation, Seattle Public Utilities, Seattle Department of Construction and Inspections, Office of Planning and Community Development and others when projects are within the jurisdiction of these departments.

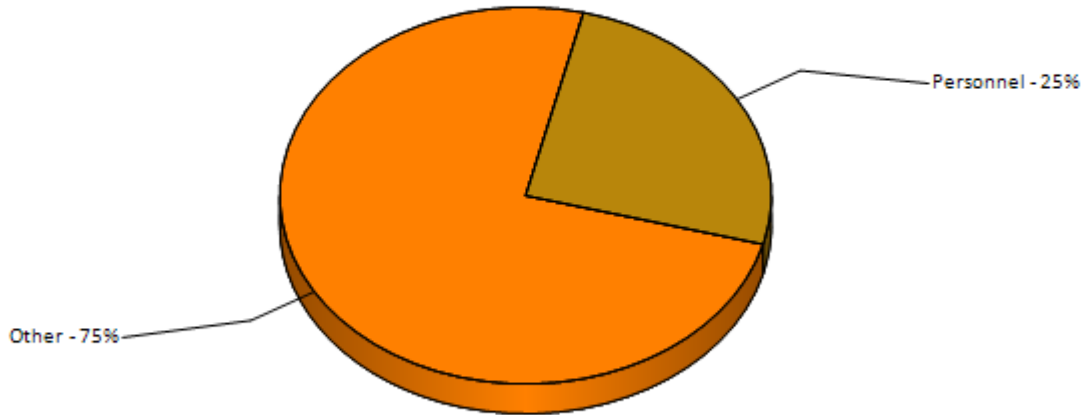
Budget Snapshot

Department Support	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
General Fund Support	\$3,217,054	\$3,044,195	\$3,069,648	\$2,921,715
Other Funding - Operating	\$437,404	\$1,148,308	\$1,017,677	\$1,308,330
Total Operations	\$3,654,458	\$4,192,503	\$4,087,325	\$4,230,045
Total Appropriations	\$3,654,458	\$4,192,503	\$4,087,325	\$4,230,045
Full-time Equivalent Total*	8.00	9.00	8.00	9.00

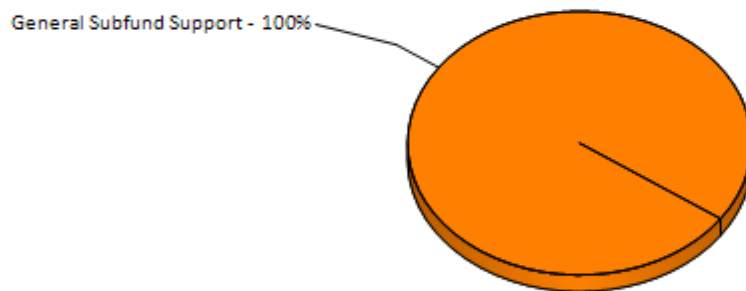
* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

Neighborhood Matching Subfund

2018 Proposed Budget - Expenditure by Category



2018 Proposed Budget - Revenue by Category



Neighborhood Matching Subfund

Budget Overview

The 2018 Proposed Budget continues the Participatory Budgeting project that began as a pilot project in 2016. In 2016, the Participatory Budgeting pilot project focused on youth initiatives and increased participation of youth from across Seattle to decide how best to allocate \$700,000 to serve the residents of Seattle. In 2017, the department shifted the model to include all ages and residents voted on how to spend \$2 million through the Neighborhood Parks and Street Fund. The proposed budget includes the use of NMF fund balance to continue supporting the participatory budgeting program by funding an extension of a one-year position added in the 2017 Adopted Budget and funding some operating expenses. NMF's fund balance continues to remain healthy and allows the department to reduce its use of General Fund without compromising financial support to NMF projects.

Incremental Budget Changes

Neighborhood Matching Subfund

	2018 Budget	FTE
Total 2018 Endorsed Budget	\$ 4,087,325	8.00
Baseline Changes		
Citywide Adjustments for Standard Cost Changes	\$ 2,061	0.00
Proposed Changes		
Participatory Budgeting	\$ 140,659	1.00
Proposed Technical Changes		
Use of Unreserved Fund Balance	\$ 0	0.00
Total Incremental Changes	\$ 142,720	1.00
2018 Proposed Budget	\$ 4,230,045	9.00

Descriptions of Incremental Budget Changes

Baseline Changes

Citywide Adjustments for Standard Cost Changes - \$2,061

Citywide technical adjustments made in the baseline phase reflect changes to internal services costs, health care, and industrial insurance charges for the department. These adjustments reflect initial assumptions about these costs and inflators early in the budget process.

Neighborhood Matching Subfund

Proposed Changes

Participatory Budgeting - \$140,659/1.00 FTE

This adjustment uses NMF fund balance to provide one-time funding for a Planning and Development Specialist II for Participatory Budgeting, a community process of designing and selecting projects for funding, where community members participate in the full cycle of the award process. This outreach and engagement process will be applied to the Neighborhood Parks and Street Fund (NPSF) for a second year in 2018. This position was originally added in the 2017 Adopted Budget with a sunset date of December 31, 2017. The sunset date will be extended to December 31, 2018.

Proposed Technical Changes

Use of Unreserved Fund Balance

This is a one-time reduction of the General Fund allocation by \$150,000 in 2018, and increases the use of fund balance by the same amount. This reallocation will have no impact on the total grant resources available to neighborhoods and communities or the delivery of projects that have been awarded NMF funds. Nor will it reduce the annual funding made available for new projects. This use of fund balance is reflected in NMF's revenues.

Expenditure Overview

Appropriations	Summit Code	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Neighborhood Matching Fund Budget Control					
Large Projects Fund		1,219,920	1,544,512	1,544,512	1,544,512
Management and Project Development		1,051,125	1,090,138	984,960	1,127,680
Small and Simple Projects Fund		1,317,136	1,490,244	1,490,244	1,490,244
Small Sparks Fund		66,276	67,609	67,609	67,609
Total	2IN00	3,654,458	4,192,503	4,087,325	4,230,045
Department Total		3,654,458	4,192,503	4,087,325	4,230,045
Department Full-time Equivalents Total*		8.00	9.00	8.00	9.00

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

Neighborhood Matching Subfund

Revenue Overview

2018 Estimated Revenues

Summit Code	Source	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
587001	General Fund Support	3,217,054	3,044,195	3,069,649	2,921,715
	Total General Subfund Support	3,217,054	3,044,195	3,069,649	2,921,715
	Total Revenues	3,217,054	3,044,195	3,069,649	2,921,715
379100	Use of (Contribution to) Fund Balance	437,404	1,148,308	1,017,676	1,308,330
	Total Use of Fund Balance	437,404	1,148,308	1,017,676	1,308,330
	Total Resources	3,654,458	4,192,503	4,087,325	4,230,045

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.

Program Expenditures	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Large Projects Fund	1,219,920	1,544,512	1,544,512	1,544,512
Management and Project Development	1,051,125	1,090,138	984,960	1,127,680
Small and Simple Projects Fund	1,317,136	1,490,244	1,490,244	1,490,244
Small Sparks Fund	66,276	67,609	67,609	67,609
Total	3,654,458	4,192,503	4,087,325	4,230,045
Full-time Equivalents Total*	8.00	9.00	8.00	9.00

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

Neighborhood Matching Subfund

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.

Expenditures	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Large Projects Fund	1,219,920	1,544,512	1,544,512	1,544,512

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.

Expenditures/FTE	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Management and Project Development	1,051,125	1,090,138	984,960	1,127,680
Full-time Equivalents Total	8.00	9.00	8.00	9.00

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 \$25,000 in funding.

Expenditures	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Small and Simple Projects Fund	1,317,136	1,490,244	1,490,244	1,490,244

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.

Expenditures	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Small Sparks Fund	66,276	67,609	67,609	67,609

Neighborhood Matching Subfund

Neighborhood Matching Subfund Fund Table

Neighborhood Matching Subfund (00165)

	2016 Actuals	2017 Adopted	2017 Revised	2018 Endorsed	2018 Proposed
Beginning Fund Balance	3,302,061	2,692,000	2,864,657	1,543,692	2,344,802
Accounting and Technical Adjustments	0	0	0	0	0
Plus: Actual and Estimated Revenues	3,217,054	3,044,195	3,044,195	3,069,649	2,921,715
Less: Actual and Budgeted Expenditures	3,654,458	4,192,503	3,564,050	4,087,325	4,230,045
Ending Fund Balance	2,864,657	1,543,692	2,344,802	526,016	1,036,472
Continuing Appropriations - Encumbrances	2,208,702	0	0	0	0
Total Reserves	2,208,702	0	0	0	0
Ending Unreserved Fund Balance	655,955	1,543,692	2,344,802	526,016	1,036,472

Department of Neighborhoods

Kathy Nyland, Director

(206) 684-0464

www.seattle.gov/neighborhoods

Department Overview

The Department of Neighborhoods (DON) strives to strengthen Seattle by engaging all communities. DON serves residents of Seattle by providing programmatic support and building inclusive partnerships to ensure that they receive equitable access to government. This is accomplished by fostering community partnerships, cultivating emerging leadership and facilitating community inclusiveness. Outreach and engagement is the core of DON's mission, with equity serving as a guiding principle.

By establishing and implementing equitable outreach and engagement practices, DON is creating opportunities and broadening accessibility, which are important components to any community involvement process and reflected in the programs DON administers.

DON has two lines of business:

The **Community Building Division** delivers technical assistance, supports services, and programs in neighborhoods to strengthen local communities, engages residents in neighborhood improvement, leverages resources and completes neighborhood-initiated projects. The programs that support this work include:

- Community Engagement Coordinators
- Community Liaisons
- Duwamish River Opportunity Fund
- Find It Fix It Walks
- Historic Preservation
- Housing Affordability and Livability Agenda
- Major Institutions and Schools
- Neighborhood Matching Fund
- P-Patch Community Gardens
- Participatory Budgeting (Your Voice Your Choice)
- People's Academy for Community Engagement

The **Executive Leadership and Administration Division** provides executive leadership, communications, and internal operations and administration support for the entire department. These support functions include financial, human resources, information technology, facility, and administrative.

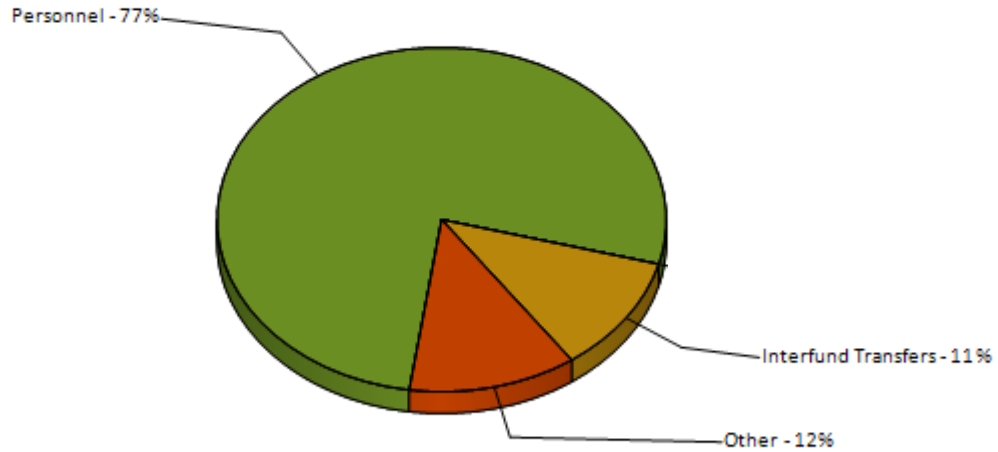
Department of Neighborhoods

Budget Snapshot

Department Support	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
General Fund Support	\$7,442,415	\$8,093,891	\$8,087,596	\$8,198,813
Total Operations	\$7,442,415	\$8,093,891	\$8,087,596	\$8,198,813
Total Appropriations	\$7,442,415	\$8,093,891	\$8,087,596	\$8,198,813
Full-time Equivalent Total*	47.00	53.00	53.00	52.50

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

2018 Proposed Budget - Expenditure by Category



Department of Neighborhoods

Budget Overview

The 2018 Proposed Budget largely maintains the capacity and programming of the department, one that has experienced relatively high growth in staffing since the 2014 Adopted Budget. Since the 2014 Adopted Budget, the department has gained the equivalent of twelve full-time positions (excluding changes due to transferring positions from the now-defunct Office for Education to help create the Department of Education and Early Learning in the 2015 Adopted Budget). These positions provide resources for DON to support initiatives like the Housing Affordability and Livability Agenda (HALA); the Find It, Fix It Walks; the Seattle Youth Commission; Participatory Budgeting (Your Voice Your Choice); the Duwamish River Opportunity Fund; the Seattle Renter's Commission; the Seattle Community Involvement Commission; increased outreach for transportation projects; and a performance assessment of DON programs. DON also received funding to support Community Conversations, Ethnic Media Start-Up, and the Youth Opportunity Fund.

The proposed budget includes some administrative changes and an increase in City investments in the Duwamish Valley.

Administrative Changes

The proposed budget recognizes department efficiencies in staffing and eliminates two unnecessary and vacant administrative positions, a part-time position in Historic Preservation and a full-time position in the Community Building Division. Position authority for an administrative position in the Community Liaisons Program will also be added to manage an increased workload.

The proposed budget also recognizes the rent savings from the relocation of Community Engagement Coordinators (formerly known as Neighborhood District Coordinators) from Neighborhood Service Centers to the department in City Hall. The relocation is due to both a change in their job description in response to the City's increased efforts to improve outreach and engagement, begun in 2016, and also an attempt by the department to improve internal collaboration.

Historic Preservation

The proposed budget will include funding to help the Historic Preservation program transition to an improved, digital review process by joining a Citywide technology initiative, Accela, in 2018. This is in line with a 2016 request from Council to develop a plan for software and review process improvements for Historic Preservation.

Duwamish Valley Initiative

As part of its Equity and Environment and Equitable Development initiatives, the City is increasing its efforts to improve the well-being of those in the Duwamish Valley, a historically underserved part of Seattle. The residents of the Duwamish Valley continue to suffer from poor health outcomes, including higher hospitalization rates and shorter lifespans, due to the pollution of the nearby Duwamish River. The communities are also disproportionately low-income and ethnic minority.

The City asked the Department of Neighborhoods, along with the Office of Sustainability and Environment (OSE), Office of Planning and Community Development (OPCD), the Department of Parks and Recreation, and Office of Housing to increase the City's investments in the Duwamish Valley with the objective of addressing inequities in the Duwamish Valley neighborhoods. OPCD will conduct feasibility analyses on two City-owned properties, the Georgetown Steam Plant and the South Park Neighborhood Center, to determine whether these properties could become community-managed assets. To ensure such assets would best serve the communities of Georgetown and South Park, the department will use its community liaisons to build community leadership, civic participation and networks.

Department of Neighborhoods

Incremental Budget Changes

Department of Neighborhoods

	2018 Budget	FTE
Total 2018 Endorsed Budget	\$ 8,087,596	53.00
Baseline Changes		
Citywide Adjustments for Standard Cost Changes	\$ 144,596	0.00
Supplemental Budget Changes	\$ 0	1.00
Net Zero Intra-Department Transfers	\$ 0	0.00
P-Patch Utility Costs	\$ 28,000	0.00
Repurposing of Neighborhood District Coordinators	\$ 43,192	0.00
Proposed Changes		
Administrative Staff Changes	-\$ 134,944	-1.50
Historic Preservation Review Process Improvement	\$ 17,102	0.00
Duwamish Valley Outreach and Engagement	\$ 25,000	0.00
Proposed Technical Changes		
Neighborhood District Coordinator Rent Savings	-\$ 11,729	0.00
Total Incremental Changes	\$ 111,217	-0.50
2018 Proposed Budget	\$ 8,198,813	52.50

Descriptions of Incremental Budget Changes

Baseline Changes

Citywide Adjustments for Standard Cost Changes - \$144,596

Citywide technical adjustments made in the baseline phase reflect changes to internal services costs, health care, and industrial insurance charges for the department. These adjustments reflect initial assumptions about these costs and inflators early in the budget process. Most of this increase is due to an increase in space-rent charges.

Supplemental Budget Changes/1.00 FTE

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

Department of Neighborhoods

or new policy priorities. These changes may include additions or reductions in appropriations and FTEs. The 2017 1st Quarter Supplemental Budget Ordinance added full-time position authority for an Administrative Specialist II to the community liaisons program to deal with an increased workload. The department will use existing resources to pay for this position.

Net Zero Intra-Department Transfers

This item includes the net zero transfers of funding within the department to fund position costs and correct technical issues in accounting.

P-Patch Utility Costs - \$28,000

This item increases funding to the department to pay for the increasingly higher utility costs, including water, to maintain its P-Patch program.

Repurposing of Neighborhood District Coordinators - \$43,192

This item provides funding to cover the reclassification of the Neighborhood District Coordinator positions to Community Engagement Coordinators to reflect their new duties. In 2016, the City increased its efforts to implement equitable outreach and engagement to ensure more inclusive participation and this reclassification is in response to that initiative.

Proposed Changes

Administrative Staff Changes - (\$134,944)/(1.50) FTE

These administrative staff changes include the eliminations of two vacant and unnecessary positions. A part-time Administrative Specialist II-BU position in Historic Preservation and a full-time Administrative Specialist II position in the Community Building Division will be eliminated. The 2017 Adopted Budget added a half-time administrative position in the Historic Preservation Program to allow for the submission and review of applications for certificates of approval, and the online posting of staff recommendations and board decisions. However, this position will not be necessary as the department will join a Citywide technology initiative, Accela, in 2018 that will allow for automation of these tasks. The full-time administrative position in the Community Building Division is no longer necessary due to an internal realignment of staff.

Historic Preservation Review Process Improvement - \$17,102

This is one-time funding that DON will combine with its existing resources and potential grants to join Accela in 2018. Accela is a Citywide technology initiative to streamline and automate permitting and code compliance processes. This technology will transition the Historic Preservation review process towards online submission and review. In 2016, the Council requested that DON develop a plan for software and Historic Preservation process improvements and the 2017 Adopted Budget provided funding for a scanner and a part-time position to manually scan and upload documents; however, the position remained vacant and DON considered Accela to be a more complete fit for their needs.

Duwamish Valley Outreach and Engagement - \$25,000

This item is part of a broader City initiative to improve its outreach and investments in the Duwamish Valley, a historically underserved part of Seattle. This one-time funding will allow the department to continue its outreach and engagement work in Georgetown and expand into South Park. The outreach efforts will dovetail with feasibility analyses conducted by the Office of Planning and Community Development on the possibility of City assets-the South Park Neighborhood Center and the Georgetown Steam Plant-becoming community-managed assets. The outreach and engagement will build community capacity, including community leadership and civic

Department of Neighborhoods

participation, to determine how best to manage community assets. Please see the budget book section for the Office of Sustainability and the Environment for a more in-depth description of the Duwamish Initiative.

Proposed Technical Changes

Neighborhood District Coordinator Rent Savings - (\$11,729)

This item recognizes the rent savings from the relocation of Community Engagement Coordinators (formerly known as Neighborhood District Coordinators) from Neighborhood Service Centers throughout the city to being consolidated in City Hall. In 2016, a Citywide effort began to increase opportunities in public participation through more equitable outreach and engagement. This resulted in the reclassification of the Neighborhood District Coordinators to Planning and Development Specialists II, which is reflected in baseline changes. The relocation is due not only to a change in their job description in response to the City's increased outreach and engagement efforts but also an attempt by the department to improve internal collaboration. No longer requiring use of rented space the Neighborhood Service Centers, the department receives modest rent savings.

Department of Neighborhoods

Expenditure Overview

Appropriations	Summit Code	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Community Building Budget Control					
Community Engagement Coordinators		1,458,524	1,562,542	1,601,377	1,647,408
Community Liaisons		0	472,061	491,370	492,402
Duwamish River Opportunity Fund		0	343,584	346,516	371,774
Find It Fix It Walks		0	30,000	30,000	30,000
Historic Preservation		1,178,779	885,885	911,042	880,601
Housing Affordability and Livability Agenda		0	317,584	175,588	175,846
Major Institutions and Schools		227,569	210,013	221,026	223,849
Neighborhood Planning Outreach		440,665	0	0	0
P-Patch Community Gardens		919,978	890,372	918,438	863,676
Participatory Budgeting (Your Voice Your Choice)		0	111,950	115,222	115,480
People's Academy for Community Engagement		0	127,260	130,694	130,952
Total	I3300	4,225,516	4,951,251	4,941,273	4,931,988
Executive Leadership and Administration Budget Control					
Communications		309,644	332,405	339,087	342,713
Executive Leadership		1,135,757	1,421,483	1,455,637	1,457,959
Internal Operations/Administration		0	1,388,752	1,351,599	1,466,153
Internal Operations/Administrative Services		1,771,499	0	0	0
Total	I3100	3,216,899	3,142,640	3,146,323	3,266,825
Department Total		7,442,415	8,093,891	8,087,596	8,198,813
Department Full-time Equivalent Total*		47.00	53.00	53.00	52.50

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

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.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Community Engagement Coordinators	1,458,524	1,562,542	1,601,377	1,647,408
Community Liaisons	0	472,061	491,370	492,402
Duwamish River Opportunity Fund	0	343,584	346,516	371,774
Find It Fix It Walks	0	30,000	30,000	30,000
Historic Preservation	1,178,779	885,885	911,042	880,601
Housing Affordability and Livability Agenda	0	317,584	175,588	175,846
Major Institutions and Schools	227,569	210,013	221,026	223,849
Neighborhood Planning Outreach	440,665	0	0	0
P-Patch Community Gardens	919,978	890,372	918,438	863,676
Participatory Budgeting (Your Voice Your Choice)	0	111,950	115,222	115,480
People's Academy for Community Engagement	0	127,260	130,694	130,952
Total	4,225,516	4,951,251	4,941,273	4,931,988
Full-time Equivalents Total*	32.50	35.25	35.25	34.75

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

Department of Neighborhoods

The following information summarizes the programs in Community Building Budget Control Level:

Community Engagement 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	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Community Engagement Coordinators	1,458,524	1,562,542	1,601,377	1,647,408
Full-time Equivalents Total	13.50	11.00	11.00	11.00

Community Liaisons Program

The purpose of the Public Outreach and Engagement Liaisons Program is to provide equitable outreach and engagement in a culturally competent manner to historically underserved communities. This is done for City departments through independent contractors who serve as resources and liaisons for community members, provide quality translations and interpretations, and advise on best practices for engaging with their communities.

Expenditures/FTE	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Community Liaisons	0	472,061	491,370	492,402
Full-time Equivalents Total	0.00	3.75	3.75	4.75

Duwamish River Opportunity Fund Program

The purpose of the Duwamish River Opportunity Fund Program is to provide resources to Duwamish River area for quality of life enhancements that can be implemented in partnership with other business organizations, local governments and community stakeholders.

Expenditures/FTE	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Duwamish River Opportunity Fund	0	343,584	346,516	371,774
Full-time Equivalents Total	0.00	1.00	1.00	1.00

Find It Fix It Walks Program

The purpose of the Find It Fix It program is to improve neighborhoods and build community block by block. During these walks, neighbors, communities, police, the Mayor and elected officials walk together to listen and learn more about the neighborhood and identify elements that affect public safety.

Expenditures	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Find It Fix It Walks	0	30,000	30,000	30,000

Historic Preservation 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.

Department of Neighborhoods

Expenditures/FTE	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Historic Preservation	1,178,779	885,885	911,042	880,601
Full-time Equivalents Total	8.00	7.50	7.50	7.00

Housing Affordability and Livability Agenda Program

The Housing Affordability Livability Agenda is a multi-pronged strategy for addressing one of the most pressing issues facing our city, affordable housing. DON has 1.0 FTE that leads the outreach and engagement efforts for this initiative.

Expenditures/FTE	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Housing Affordability and Livability Agenda	0	317,584	175,588	175,846
Full-time Equivalents Total	0.00	1.00	1.00	1.00

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	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Major Institutions and Schools	227,569	210,013	221,026	223,849
Full-time Equivalents Total	1.50	2.00	2.00	2.00

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	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Neighborhood Planning Outreach	440,665	0	0	0
Full-time Equivalents Total	2.50	0.00	0.00	0.00

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.

Expenditures/FTE	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
P-Patch Community Gardens	919,978	890,372	918,438	863,676
Full-time Equivalents Total	7.00	7.00	7.00	6.00

Department of Neighborhoods

Participatory Budgeting (Your Voice Your Choice) Program

The purpose of the Participatory Budgeting-Seattle Youth Commission Program is to provide leadership opportunities for youth and actively engage historically underserved communities in City decision-making processes.

Expenditures/FTE	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Participatory Budgeting (Your Voice Your Choice)	0	111,950	115,222	115,480
Full-time Equivalent Total	0.00	1.00	1.00	1.00

People's Academy for Community Engagement Program

The purpose of the People's Academy for Community Engagement Program is to provide leadership development and skill building of emerging leaders in a multicultural, participatory adult learning environment where participants learn hands-on strategies for community building, inclusive engagement, and accessing governments from experts in the field.

Expenditures/FTE	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
People's Academy for Community Engagement	0	127,260	130,694	130,952
Full-time Equivalent Total	0.00	1.00	1.00	1.00

Department of Neighborhoods

Executive Leadership and Administration Budget Control Level

The purpose of the Executive Leadership and Administration Budget Control Level is to provide executive leadership; communications; and internal operations and administration support such as financial, human resources, information technology, facility, and administrative services for the entire department to serve customers efficiently and effectively.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Communications	309,644	332,405	339,087	342,713
Executive Leadership	1,135,757	1,421,483	1,455,637	1,457,959
Internal Operations/Administration	0	1,388,752	1,351,599	1,466,153
Internal Operations/Administrative Services	1,771,499	0	0	0
Total	3,216,899	3,142,640	3,146,323	3,266,825
Full-time Equivalents Total*	14.50	17.75	17.75	17.75

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

The following information summarizes the programs in Executive Leadership and Administration 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.

	2016	2017	2018	2018
Expenditures/FTE	Actuals	Adopted	Endorsed	Proposed
Communications	309,644	332,405	339,087	342,713
Full-time Equivalents Total	3.00	2.00	2.00	2.00

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.

	2016	2017	2018	2018
Expenditures/FTE	Actuals	Adopted	Endorsed	Proposed
Executive Leadership	1,135,757	1,421,483	1,455,637	1,457,959
Full-time Equivalents Total	4.00	9.00	9.00	9.00

Department of Neighborhoods

Internal Operations/Administration Program

The purpose of Internal Operations/Administration program is to provide financial, human resources, information technology, facility, and administrative services for the entire department.

Expenditures/FTE	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Internal Operations/Administration	0	1,388,752	1,351,599	1,466,153
Full-time Equivalent Total	0.00	6.75	6.75	6.75

Internal Operations/Administrative Services Program

The purpose of Internal Operations/Administrative Services program is to provide financial, human resources, information technology, facility, and administrative services for the entire department.

Expenditures/FTE	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Internal Operations/Administrative Services	1,771,499	0	0	0
Full-time Equivalent Total	7.50	0.00	0.00	0.00

Office of Planning and Community Development

Sam Assefa, Director

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

Department Overview

The Office of Planning and Community Development (OPCD) engages in citywide and neighborhood planning efforts to ensure Seattle supports thriving communities with a mix of amenities, open space, transportation, affordable housing, and educational and economic opportunity. OPCD manages a coordinated vision for development to inform decisions about equitable growth consistent with Seattle's Comprehensive Plan.

The director of OPCD co-chairs the Capital Cabinet with the director of the City Budget Office (CBO) to facilitate a coordinated decision-making structure to guide planning and implementation of infrastructure investments. The Capital Cabinet is comprised of key staff from the Mayor's Office, department directors who have responsibility for major capital projects, as well as directors of departments that support neighborhoods and businesses where these infrastructure investments are made. OPCD works with members of the cabinet to ensure the City's capital investments support community development objectives, and that department priorities are aligned and reflected in policies and budget resources.

In 2017, OPCD organized to support four organizational areas: Leadership and Administration, Planning, Design Commission, and Planning Commission.

Leadership and Administration

OPCD's Leadership and Administration program provides policy and planning leadership within OPCD and in the organization's work coordinating departments across the City. The program also provides support in the areas of finance, community engagement, administrative assistance, and communications with the Mayor, Councilmembers, staff, and constituents.

Planning

OPCD's Planning work program is undertaken at a variety of scales, including citywide initiatives and programs, neighborhood-based projects, and local actions at the block or individual property level. OPCD works with local residents, businesses, non-profits, property owners, institutions, governments and other City departments. Priorities are informed by data on population and job growth, environment and open space, race and social justice, and other topics. OPCD's Planning program:

- anticipates future growth and trends to inform City policies;
- works with partners to craft plans and strategies for public spaces and neighborhood amenities;
- creates new partnerships to encourage equitable, transit-oriented development;
- coordinates across departments to undertake strategies that advance opportunities for affordable housing;
- supports community-based investments to address displacement pressures and support equitable development;
- undertakes intensive community engagement in coordination and partnership with the Department of Neighborhoods; and
- convenes citywide conversations around urban design, growth, planning and other urban issues.

Office of Planning and Community Development

Design Commission

The Seattle Design Commission promotes civic design excellence in capital improvement projects that are located on City land, in the City right-of-way, or constructed with City funds. The Seattle Design Commission consists of 3.5 FTE staff and 10 commissioners that meet twice a month and review City-funded capital projects such as community centers, park facilities, fire stations and police stations. The commission advises the Mayor, the City Council and City departments on the design of capital improvements and other projects and policies that shape Seattle's public realm. The commission provides recommendations on aesthetic, environmental and design principles and policies, and promotes interdepartmental and interagency coordination.

Planning Commission

The Seattle Planning Commission advises the Mayor, the City Council and City departments on broad planning goals, policies and plans for the physical development of the city. Comprised of 3.5 FTE staff and 16 volunteers, the commission's work is framed by the Comprehensive Plan and seeks public comment and participation as a part of the process to achieve the plan's vision. The commission provides independent analysis and promotes issues vital to livability.

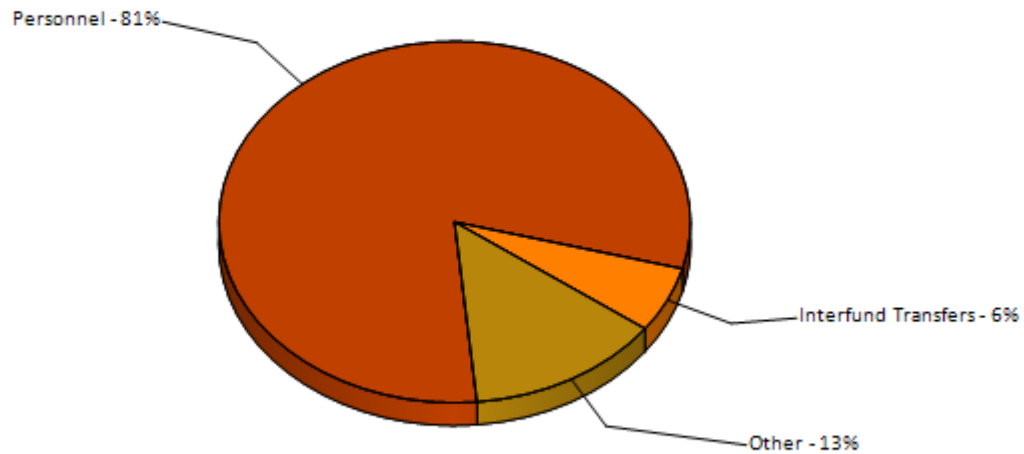
Budget Snapshot

Department Support	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
General Fund Support	\$8,663,302	\$7,642,785	\$7,715,385	\$7,683,585
Other Funding - Operating	\$0	\$0	\$430,000	\$430,000
Total Operations	\$8,663,302	\$7,642,785	\$8,145,385	\$8,113,585
Total Appropriations	\$8,663,302	\$7,642,785	\$8,145,385	\$8,113,585
Full-time Equivalent Total*	45.00	46.50	46.50	45.50

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

Office of Planning and Community Development

2018 Proposed Budget - Expenditure by Category



Budget Overview

The Office of Planning and Community Development (OPCD) was established via Ordinance 124919 in December 2015. In June 2017, OPCD moved from the Seattle Municipal Tower to the 5th floor of City Hall in 2017. With office space, staffing and city central costs finalized, the 2018 Proposed Budget adjusts OPCD's budget with small reductions in consultant services and other miscellaneous costs. These are described in more detail in the Incremental Budget Changes section below. OPCD continues with a robust planning and community development program through a variety of planning initiatives.

Comprehensive Planning and Research

OPCD is the steward of the City's Comprehensive Plan, a 20-year vision and roadmap for Seattle's future. The Comprehensive Plan guides City decisions on where to create new jobs and residences, how to improve the transportation system, and where to make capital investments such as utilities, sidewalks, and libraries. It provides a framework to guide most of Seattle's big-picture decisions on how to manage growth while preserving and improving our neighborhoods.

The Comprehensive Plan identifies the need for investment in anti-displacement strategies in certain areas of the City characterized by high levels of chronic and recent displacement and significant populations of marginalized communities. Anti-displacement strategies are intended to help maintain affordability, anchor cultural communities, and provide education and economic opportunities for current residents. This work is supported by OPCD's demographer and other staff who conduct research and identify development and growth trends, and report on the City's progress toward specific indicators for growth, investments and community health.

Equitable Development Initiative (EDI)

Office of Planning and Community Development

In 2017, OPCD fully staffed its Equitable Development Initiative (EDI) program. The EDI program is intended to help guide strategic City investments in neighborhoods where residents and businesses are at high risk of displacement, and is informed by working directly with impacted community groups and organizations. The EDI will support investments in capital programs and projects that address historic and market inequities in neighborhoods that have low access to opportunity, as defined by the [Seattle 2035 Equity Analysis](#). The EDI requires partnership between community-based organizations, public institutions, and philanthropic partners to leverage collective resources. City EDI staff are working on five initial projects that were identified by the Seattle City Council:

- Rainier Beach Food Innovation District
- Multicultural Community Center
- Southeast Economic Opportunity Center
- William Grose Cultural Innovation Hub
- Little Saigon Landmark Project

EDI work is coordinated by OPCD and is guided by an interdepartmental working group from the Office of Housing (OH), Department of Neighborhoods (DON), Office of Economic Development (OED), Office of Policy and Innovation (OPI), and City Budget Office (CBO). It is also informed by an external community advisory board representing impacted communities.

The EDI will be funded with the \$16 million in proceeds from the sale of surplus property known as the Civic Square Block. With the 2017 Adopted Budget, the Council authorized an interfund loan of up to \$6.5 million to support the implementation of the first round of EDI projects in advance of the sale of the Civic Square Block. In 2017, the sale of the property was finalized. Funds from the sale of the property are expected to be received by December 31, 2019. In anticipation of OPCD continuing EDI work in the interim period, the proposed budget includes legislation to increase the interfund loan to \$16 million. The cash received from the sale of the property by the end of 2019 will repay the interfund loan and any interest accrued.

In 2017, the EDI team developed criteria for granting funds to community projects. The team reviewed funding applications from three of the initial community projects and authorized capacity-building grants to the Multicultural Community Center, the Rainier Beach Food Innovation District, and the Little Saigon Landmark Project. OPCD will put out a call for applications for a second round of funding for projects in low-access-to-opportunity neighborhoods in fall 2017.

OPCD is also funded for EDI work with \$200,000 of General Fund, added in the 2017 Adopted Budget, and \$430,000 of Community Development Block Grant (CDBG) dollars, added in the 2018 Endorsed Budget. The General Fund will support ongoing capacity building and consultant services for a variety of EDI projects, while the CDBG dollars will support construction or site development work. CDBG dollars are received as part of an entitlement grant from the federal government, which operates on a different fiscal year than the City of Seattle. Due to uncertainty regarding the federal government's budgeting and allocation process, the funding amount is subject to change in future years.

Affordable Housing

OPCD works closely with OH and other City departments to implement the Housing Affordability and Livability Agenda (HALA) recommendations and implement policies that increase housing choices, including the amount of housing that is affordable and available to Seattle's current and future residents. A recent report from OPCD and OH shows that average rents in unsubsidized rentals in Seattle are too high to be affordable to many renter households. Over 45,000 Seattle households pay more than half their income for housing. OPCD reports that in the first half of 2017, 3,636 new housing units were completed and over 20,000 new housing units were in the development pipeline. This additional housing supply is expected to moderate housing price increases in the coming years by helping to meet growing demand.

Office of Planning and Community Development

In 2017, OPCD completed legislation implementing [Mandatory Housing Affordability \(MHA\)](#) requirements in the University District, Downtown, South Lake Union, the Chinatown-International District, Central Area, and Uptown. MHA is a policy to ensure that growth brings affordability. MHA will require new development projects either include affordable homes or contribute to a City fund for building affordable housing. The MHA program, through payments to the City and affordable units built on site, is expected to produce more than 6,000 net new income and rent-restricted housing units over 10 years. OPCD is in the process of completing environmental review and evaluating alternatives for implementing MHA in all urban villages throughout the city. Amendments to expand several urban villages near high-performing transit hubs, as envisioned in the [Seattle 2035 Comprehensive Plan](#), will be made in parallel with implementation of MHA. In 2018, OPCD expects to work with the City Council to perform additional community outreach and pass legislation to implement MHA in urban villages and commercial and multi-family zoned areas.

Community and Citywide Planning

OPCD is wrapping up community planning projects in several neighborhoods with detailed work around design guidelines and investments in Ballard, the University District, the Central Area and the Uptown neighborhoods. Staff recently completed coordinated planning with the Seattle Department of Transportation (SDOT) for the Judkins light rail station area. Staff is working with the community to update design guidelines for Capitol Hill. In 2017, OPCD initiated coordinated planning and investments for Chinatown/International District. This work is being undertaken with the DON and other City departments. It includes the creation of design guidance for an expanded International Special Review District, public safety interventions, and an evaluation of the Charles Street property for development that would complement community priorities. In addition, OPCD is facilitating an interdepartmental team to coordinate investments for the Mount Baker station area/North Rainier neighborhood.

OPCD has undertaken an initial evaluation of neighborhood areas with an eye toward prioritizing future community planning projects. The evaluation was based on a comparison of equity drivers, environment and health measures, population data, and other information based on the Comprehensive Plan criteria for community planning.

In 2016, the City instituted a new initiative, the Duwamish Valley Program, to align and coordinate City departments in delivering actions to achieve environmental justice and equitable development in the Duwamish Valley. Early 2017 work-to-date has included in-depth departmental coordination by the Duwamish Action Team (DAT), co-led by staff from OPCD and the Office of Sustainability and Environment (OSE). OPCD's 2018 Proposed Budget contains one-time funding for capacity building in the Duwamish Valley area. Working in partnership with DON and neighborhood and community organizations, OPCD will conduct a needs assessment and feasibility analysis with the goal of transferring a City-owned property that includes the South Park Neighborhood Center to a community group to own and operate.

Finally, in 2017, the Industrial Lands Advisory Panel provided recommendations to ensure the [Seattle 2035 Comprehensive Plan](#) balances growth with the needs of Seattle's manufacturing and maritime industries. Members of the committee included representation from the Port of Seattle, developers, industry, labor and the community. OPCD is scoping a competitive bidding process for an Environmental Impact Study (EIS) in the fall of 2017. The EIS will be funded primarily through existing 2017 budget. The 2018 Proposed Budget adds an incremental increase of \$50,000 to help support the EIS.

Placemaking

OPCD is leading interdepartmental efforts to address the livability of neighborhoods as Seattle continues to grow. The *Outside Citywide* project is working to coordinate investments and strategies between departments to increase the quantity and quality of public spaces throughout the city. This interdepartmental project with the Seattle Department of Transportation (SDOT), Seattle Public Utilities (SPU), and private and public institutions including the Seattle Public School District, will provide recommendations on how to create high-quality public

Office of Planning and Community Development

spaces and environmental benefits. OPCD is also addressing the public space needs of the Center City (downtown and surrounding neighborhoods) to ensure the quality and scale of buildings, streets and public spaces complement our transportation system and serve people who live, work and visit these neighborhoods. OPCD is leading efforts to coordinate investments at the Seattle Center, working with the Seattle Public School District, the Key Arena project, Sound Transit and the Uptown neighborhood. Finally, OPCD is working with SDOT and Sound Transit to scope and lead work around planning, urban design, Transit Oriented Development (TOD) and access issues for future light rail station areas and address alignment decisions.

Incremental Budget Changes

Office of Planning and Community Development

	2018	
	Budget	FTE
Total 2018 Endorsed Budget	\$ 8,145,385	46.50
Baseline Changes		
Salary and Position True Ups	\$ 10,000	-1.00
Citywide Adjustments for Standard Cost Changes	-\$ 22,450	0.00
Proposed Changes		
General Fund Reductions	-\$ 144,350	0.00
Industrial Lands Environmental Impact Study	\$ 50,000	0.00
Duwamish Community Capacity Building	\$ 75,000	0.00
Total Incremental Changes	-\$ 31,800	-1.00
2018 Proposed Budget	\$ 8,113,585	45.50

Descriptions of Incremental Budget Changes

Baseline Changes

Salary and Position True Ups - \$10,000/(1.00) FTE

This adjustment makes a technical true up between programs, adds additional incremental funding to support new divisional leadership, and eliminates a vacant unfunded position.

Citywide Adjustments for Standard Cost Changes - (\$22,450)

Citywide technical adjustments made in the baseline phase reflect changes to internal services costs, health care, and industrial insurance charges for the department. These adjustments reflect initial assumptions about these costs and inflators early in the budget process.

Office of Planning and Community Development

Proposed Changes

General Fund Reductions - (\$144,350)

This adjustment reduces General Fund in OPCD's operating budget in several areas:

- \$111,850 from the Professional Services budget. This reduces OPCD's consultant budget from a 2018 baseline amount of \$250,000. Consulting project needs will continue to be reviewed and funded incrementally as needed through the annual budget or supplemental budgets.
- \$29,000 of reductions related to software licenses, advertising and rental costs. With recent changes in creating a new stand alone planning office and a new consolidated IT department, there was an opportunity to true up these technical items.
- \$3,500 from the printing budget. In recent years more documents are being posted online, reducing the need for printing.

Industrial Lands Environmental Impact Study - \$50,000

In August 2016 the City created an Industrial Lands Advisory Panel tasked with providing recommendations to ensure the [Seattle 2035 Comprehensive Plan](#) balances growth with the needs of Seattle's manufacturing and maritime industries. The panel recommended a new industrial lands framework that:

- supports our maritime and industrial communities;
- acknowledges the varying development pressures on current industrial lands;
- recognizes the shifting nature of industrial business activity and its labor market; and
- balances the livability needs of residents with industrial requirements.

OPCD, OED, and SDOT are cooperating on an EIS related to the recommendations from the Industrial Lands Advisory Panel. The EIS is expected to begin in late 2017 and continue through mid-2018, when it will inform proposed amendments to the Comprehensive Plan.

The EIS will be primarily funded by existing budget in 2017, some or all of which will carry forward to 2018. A one-time incremental add of \$50,000 in the 2018 Proposed Budget brings the total EIS budget to \$500,000.

Duwamish Community Capacity Building - \$75,000

The 2018 Proposed Budget adds funding for capacity building in the Duwamish area, particularly related to the South Park Neighborhood Center (SPNC). The SPNC is a City-owned property operated by the South Park Area Redevelopment Committee (SPARC). The City is exploring the potential to transfer this asset to a non-City entity. Working in partnership with the Department of Neighborhoods (DON) and neighborhood and community organizations, OPCD will conduct a needs assessment and feasibility analysis. Please see the Duwamish Valley Program description in the Office of Sustainability and Environment Budget Overview for additional information on this work.

Office of Planning and Community Development

Expenditure Overview

Appropriations	Summit Code	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
CDBG - Planning and Community Development Budget Control Level	17810-X2P00	0	0	430,000	430,000
Planning and Community Development Budget Control					
Design Commission		660,532	501,890	505,519	504,736
Planning		7,486,300	6,680,471	6,745,022	6,703,826
Planning Commission		516,470	460,424	464,844	475,023
Total	X2P00	8,663,302	7,642,785	7,715,385	7,683,585
Department Total		8,663,302	7,642,785	8,145,385	8,113,585

Department Full-time Equivalents Total*	45.00	46.50	46.50	45.50
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** FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.*

Appropriations By Budget Control Level (BCL) and Program

CDBG - Planning and Community Development Budget Control Level

The purpose of the Planning and Community Development Budget Control Level is to manage a coordinated vision for growth and development in the City of Seattle that is consistent with Seattle's Comprehensive Plan, and to inform and guide growth related decisions for future development. This BCL is funded by Community Development Block Grant Fund (17810) dollars.

Program Expenditures	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Planning and Community Development	0	0	430,000	430,000
Total	0	0	430,000	430,000

Office of Planning and Community Development

Planning and Community Development Budget Control Level

The purpose of the Planning and Community Development Budget Control Level is to manage a coordinated vision for growth and development in the City of Seattle that is consistent with Seattle's Comprehensive Plan, and to inform and guide growth related decisions for future development.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Design Commission	660,532	501,890	505,519	504,736
Planning	7,486,300	6,680,471	6,745,022	6,703,826
Planning Commission	516,470	460,424	464,844	475,023
Total	8,663,302	7,642,785	7,715,385	7,683,585
Full-time Equivalents Total*	45.00	46.50	46.50	45.50

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

The following information summarizes the programs in Planning and Community Development Budget Control Level:

Design Commission Program

The purpose of the Design Commission is to promote civic design excellence in capital improvement projects that are located on City land, in the City right-of-way, or constructed with City funds. The Seattle Design Commission advises the Mayor, the City Council, and City departments on the design of capital improvements and other projects and policies that shape Seattle's public realm. The commission provides recommendations on aesthetic, environmental and design principles and policies, and promotes interdepartmental/interagency coordination.

	2016	2017	2018	2018
Expenditures/FTE	Actuals	Adopted	Endorsed	Proposed
Design Commission	660,532	501,890	505,519	504,736
Full-time Equivalents Total	3.50	3.50	3.50	3.50

Planning Program

The purpose of the Planning Program is to manage a coordinated vision for growth and development in the City of Seattle that is consistent with Seattle's Comprehensive Plan, and to inform and guide growth related decisions for future development.

	2016	2017	2018	2018
Expenditures/FTE	Actuals	Adopted	Endorsed	Proposed
Planning	7,486,300	6,680,471	6,745,022	6,703,826
Full-time Equivalents Total	38.50	40.00	40.00	39.00

Planning Commission Program

The purpose of the Planning Commission is to advise the Mayor, the City Council and City departments on broad planning goals, policies and plans for the physical development of the city. The commission also provides independent analysis and promotes issues vital to livability.

Office of Planning and Community Development

Expenditures/FTE	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Planning Commission	516,470	460,424	464,844	475,023
Full-time Equivalents Total	3.00	3.00	3.00	3.00

Office of the Community Police Commission

Fé Lopez, Executive Director

(206) 684-5175

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

Department Overview

The Office of the Community Police Commission (CPC) is the administrative and policy support entity of the Community Police Commission. The CPC is charged with providing community oversight and input on the police reform efforts that are the subject of a Settlement Agreement between the City and the U.S. Department of Justice regarding police practices. Membership of the CPC was modified in 2017 through legislation addressing changes in civilian oversight of the police ([Ordinance 125315](#)). A 21-member board appointed by the Mayor, the City Council and the Community Police Commission governs the CPC. Each commissioner serves a three-year term.

The CPC provides an independent forum for dialogue and widespread input on the reform efforts embodied in the Settlement Agreement and Memorandum of Understanding established by the Department of Justice. Ongoing community input is a critical component of achieving and maintaining effective and constitutional policing.

The CPC leverages the ideas, talent, experience and expertise of the people of Seattle to ensure police services:

1. fully comply with the Constitution of the United States;
2. ensure public and officer safety; and
3. promote public confidence in the Seattle Police Department and its officers.

In 2017, the CPC's role was further refined through legislation addressing changes in the civilian oversight of the police ([Ordinance 125315](#)). The CPC is still charged with fulfilling and prioritizing the responsibilities as specified under the Consent Decree and Memorandum of Understanding and its role now includes:

- reviewing and providing input to many city partners on the police accountability system, police services and the Seattle Police Department's policies and practices;
- engaging in community outreach to obtain the perspectives of the community on police-community relations, the police accountability system, police services, policies and practices and providing that input to other City departments;
- maintaining connections with representatives of disenfranchised communities and community groups; and
- advocating for reforms to state law that will enhance public trust and confidence in policing and the criminal justice system.

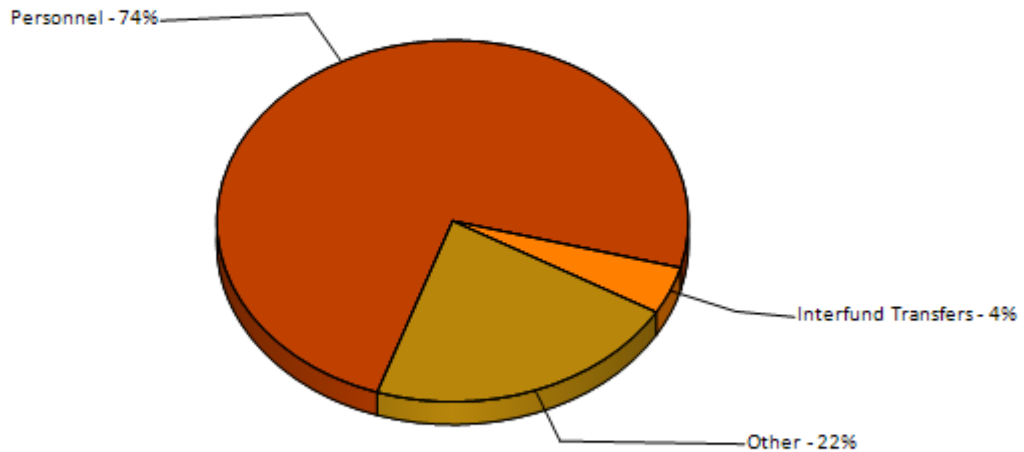
Office of the Community Police Commission

Budget Snapshot

Department Support	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
General Fund Support	\$699,438	\$878,557	\$893,532	\$1,048,184
Total Operations	\$699,438	\$878,557	\$893,532	\$1,048,184
Total Appropriations	\$699,438	\$878,557	\$893,532	\$1,048,184
Full-time Equivalent Total*	4.00	4.00	4.00	6.00

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

2018 Proposed Budget - Expenditure by Category



Budget Overview

The 2018 Proposed Budget adds capacity to support the work of the Community Police Commission (CPC). The adoption of the 2017 Police Accountability Legislation, [Ordinance 125315](#) established the CPC as a permanent civilian oversight body and expanded the role of the commission. The additional funding will support policy analysis and community outreach efforts.

Provisions of the police accountability legislation ([Ordinance 125315](#)), and related new funding added in the 2018 Proposed Budget, are subject to review by US District Court.

Office of the Community Police Commission

Incremental Budget Changes

Office of the Community Police Commission

	2018	
	Budget	FTE
Total 2018 Endorsed Budget	\$ 893,532	4.00
Baseline Changes		
Citywide Adjustments for Standard Cost Changes	\$ 44,652	0.00
Proposed Changes		
Increasing staff support for the Community Police Commission	\$ 110,000	2.00
Total Incremental Changes	\$ 154,652	2.00
2018 Proposed Budget	\$ 1,048,184	6.00

Descriptions of Incremental Budget Changes

Baseline Changes

Citywide Adjustments for Standard Cost Changes - \$44,652

Citywide technical adjustments made in the baseline phase reflect changes to internal services costs, health care, and industrial insurance charges for the department. These adjustments reflect initial assumptions about these costs and inflators early in the budget process.

Proposed Changes

Increasing staff support for the Community Police Commission - \$110,000/2.00 FTE

This adjustment adds two permanent full-time positions to the Office of the Community Police Commission (CPC) to support the work of the commission, recognizing that with the adoption of the 2017 Police Accountability Legislation ([Ordinance 125315](#)), the CPC takes on a permanent role. One position is a Strategic Advisor 1 and one is a Planning and Development Specialist Supervisor. The two positions will support policy analysis and community engagement, two pillars of the CPC's responsibilities. The positions are partially funded with existing resources that will be transferred from flexible consulting funds to permanent full-time staff support to reflect the CPC's new status as a permanent body.

Office of the Community Police Commission

Expenditure Overview

Appropriations	Summit Code	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Office of the Community Police Commission Budget Control Level	VP100	699,438	878,557	893,532	1,048,184
Department Total		699,438	878,557	893,532	1,048,184
Department Full-time Equivalents Total*		4.00	4.00	4.00	6.00

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

Appropriations By Budget Control Level (BCL) and Program

Office of the Community Police Commission Budget Control Level

The purpose of the Office of the Community Police Commission BCL is to leverage the ideas, talents, experience, and expertise of the community to provide ongoing community input into the development of Seattle Police Department reforms, the establishment of police priorities, and facilitation of police/community relationships necessary to promote public safety.

Program Expenditures	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Office of the Community Police Commission	699,438	878,557	893,532	1,048,184
Total	699,438	878,557	893,532	1,048,184
Full-time Equivalents Total*	4.00	4.00	4.00	6.00

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

Criminal Justice Contracted Services

Linda Taylor-Manning, City Budget Office

(206) 684-8376

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 crimes in Seattle. The City Budget Office manages the contracts for these services.

The City contracts with King County and Snohomish County to provide jail services. The City also contracts with King County to provide public defense services.

Budget Snapshot

Department Support	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
General Fund Support	\$24,252,225	\$28,150,505	\$27,987,525	\$28,015,525
Total Operations	\$24,252,225	\$28,150,505	\$27,987,525	\$28,015,525
Total Appropriations	\$24,252,225	\$28,150,505	\$27,987,525	\$28,015,525
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 Human Resources Director actions outside of the budget process may not be detailed here.

Budget Overview

The 2018 Proposed Budget does not recommend significant changes to the Criminal Justice Contracted Services (CJCS) budget.

In 2017, a new pre-filing diversion effort led by the Law Department is anticipated to provide savings to jail and indigent defense legal services through fewer cases being filed and thereby reducing the jail population and indigent defendants requiring an attorney. Law Department staff are designing the program in 2017. The program is funded through reductions in the CJCS budget in 2017 and 2018 as detailed here:

- Jail Services was reduced by \$321,000 in 2017 and \$500,000 in 2018.
- Indigent Defense Services was reduced by \$87,000 in 2017 and \$165,000 in 2018.

Criminal Justice Contracted Services

Incremental Budget Changes

Criminal Justice Contracted Services

	2018 Budget	FTE
Total 2018 Endorsed Budget	\$ 27,987,525	0.00
Proposed Technical Changes		
Transfer Expert Witness Budget from Seattle Municipal Court (SMC)	\$ 28,000	0.00
Total Incremental Changes	\$ 28,000	0.00
2018 Proposed Budget	\$ 28,015,525	0.00

Descriptions of Incremental Budget Changes

Proposed Technical Changes

Transfer Expert Witness Budget from Seattle Municipal Court (SMC) - \$28,000

This technical adjustment is to transfer the Expert Witness Account and the associated funding of \$28,000 from SMC to Criminal Justice Contracted Services (CJCS) Indigent Defense Services BCL. The purpose of the Expert Witness Account is to pay for expert witnesses at the request of Defense Attorneys to testify before court hearings and court trials. SMC judges will still determine the Defense Attorney's requests for expert witnesses and associated expense. SMC will manage the payment processes and invoice CJCS on a quarterly basis for reimbursement.

Expenditure Overview

Appropriations	Summit Code	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Indigent Defense Services Budget Control Level	VJ500	7,340,426	8,233,171	8,168,647	8,196,647
Jail Services Budget Control Level	VJ100	16,911,800	19,917,334	19,818,878	19,818,878
Department Total		24,252,225	28,150,505	27,987,525	28,015,525
Department Full-time Equivalents 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 Human Resources Director actions outside of the budget process may not be detailed here.*

Criminal Justice Contracted Services

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. Funding is also provided for a pilot program offering civil legal representation to indigent defendants.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Indigent Defense Services	7,340,426	8,233,171	8,168,647	8,196,647
Total	7,340,426	8,233,171	8,168,647	8,196,647

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.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Jail Services	16,911,800	19,917,334	19,818,878	19,818,878
Total	16,911,800	19,917,334	19,818,878	19,818,878

Seattle Fire Department

Harold D Scoggins, Fire Chief

(206) 386-1400

www.seattle.gov/fire

Department Overview

The Seattle Fire Department (SFD) provides fire protection and prevention, technical rescue, and emergency medical services for the City of Seattle. It deploys engine companies, ladder companies, aid and medic units, and fireboats to mitigate the loss of life and property resulting from fires, medical emergencies, and other disasters. SFD maintains 33 fire stations that are strategically located within six battalions to provide optimal response times to emergencies. Each battalion serves specific geographic areas in the city: the downtown/Central Area, north and northeast Seattle, northwest Seattle, south and southeast Seattle, and West Seattle.

SFD has a strong record on prevention of fires and property loss from fires. Seattle has fewer fires than the national average and of other cities with similar population size. Dollar loss and civilian deaths are also below the national and regional averages. Seattle averages 0.8 fires annually per 1,000 residents, which is lower than the regional average of 3.4 and national average of 4.6. For the past five years, the average number of total structure fires per year in Seattle was 539. Total fire dollar loss averaged \$19.8 million per year.

SFD provides emergency medical responses, which account for approximately 82% of all fire emergency calls in Seattle. In order to respond to the emergency medical demand, all Seattle firefighters are trained as emergency medical technicians (EMTs) to provide basic emergency medical care, or basic life support. SFD staffs seven medic units each with two firefighter trained paramedics to provide more advanced medical care, or advanced life support. Additionally, the department has five aid units staffed by firefighters to provide citywide basic life support.

In 2016 SFD implemented the Low Acuity Alarm Pilot Program to reduce non-emergency calls to the 911 system. This program assists very high utilizers of the 911 system by providing outreach to understand their health care needs. The program also offers training modules on 911 use for residential facilities and relies on a partnership that allows responding firefighters access to a Mobile Crisis Team from the Downtown Emergency Services Center (DESC) Crisis Solutions Center for patients who are having behavioral emergencies and need assistance. SFD provides both basic and emergency medical care whenever it is needed, and the department will continue to look for innovative ways to meet the needs of the community in this challenging environment.

The department also has marine, hazardous materials, high-angle, tunnel and confined-space rescue teams. In addition, SFD officers and firefighters are members of local and national disaster response teams such as the Federal Emergency Management Agency (FEMA)'s Urban Search and Rescue Task Force and regional wild land firefighting crews. SFD's fire prevention efforts include fire code enforcement, building inspections, plan reviews of fire and life safety systems, public education and fire safety programs, regulation of hazardous materials storage and processes, and regulation of places of public assembly and public events to ensure life safety.

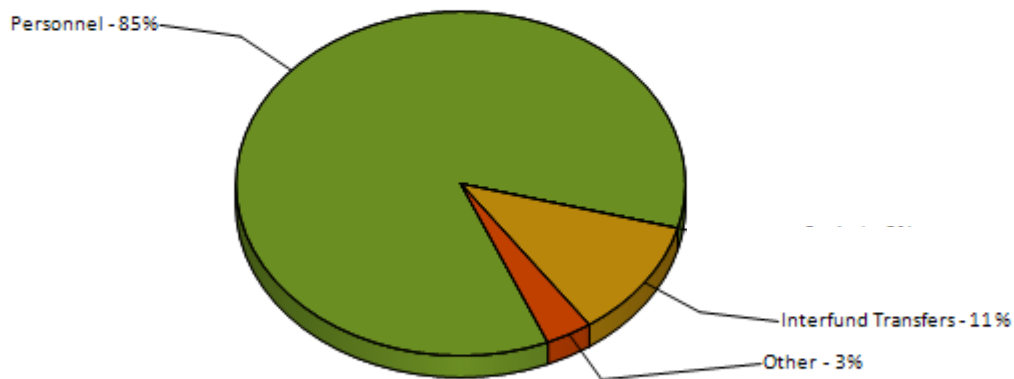
Seattle Fire Department

Budget Snapshot

Department Support	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
General Fund Support	\$198,793,648	\$200,936,479	\$203,663,980	\$212,163,674
Total Operations	\$198,793,648	\$200,936,479	\$203,663,980	\$212,163,674
Total Appropriations	\$198,793,648	\$200,936,479	\$203,663,980	\$212,163,674
Full-time Equivalent Total*	1,167.55	1,155.55	1,155.55	1,158.55

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

2018 Proposed Budget - Expenditure by Category



Budget Overview

The Seattle Fire Department's (SFD) 2018 Proposed Budget reflects the City's commitment to maintaining public safety, in particular by means of investments in ongoing operations, including addressing vacancies, increasing dispatcher staffing, additional aid car staffing and paramedic training.

Staffing that Meets Community Demand

Over the last few years SFD has faced the challenge of an aging workforce. The average age of a Seattle firefighter is about 44, and this average has gradually increased since about 2008. Because SFD has a minimum daily around-the-clock staffing requirement of 209, any absences of scheduled uniformed staff must be filled by other staff

Seattle Fire Department

who are working on overtime. When uniformed staff retire and new recruits have not yet completed their training, SFD must pay overtime wages until a new recruit can be hired as a full-time member of the department. Relying on staff for additional 24-hour shifts also puts them at risk for additional stressors and time loss due to injury. The proposed budget adds funding for 35 additional recruits, for a total of 60 new recruits in 2018. After 16 weeks of drill school scheduled to begin in February 2018, the first class of new recruits will become probationary firefighters in June 2018.

It has been a goal of both Chief Scoggins and the City to build a diverse Fire Department that better reflects the community it serves. To address that goal, the funding for an additional recruit class continues a program begun in 2016 to mitigate the requirement for firefighter candidates to possess a valid Washington State Emergency Medical Technician (EMT) certification at the time of hire, which an International Association of Fire Fighters study identified as a possible barrier to entry. SFD has provided an EMT course to those recruit candidates who do not yet have EMT certification. Five recruit candidates participated in the EMT course in 2016 and six recruit candidates participated in 2017. SFD is evaluating whether this change makes an impact on the demographics of firefighter candidates and of those who successfully complete that program and join the department. SFD has been directing recruitment efforts towards more community organizations, including high schools, community colleges, technical career fairs and women's groups. In 2017, SFD recruiters were present at such events as the Women and Diversity Public Safety and STEM Open House and Career Fair, the Washington Women in Trades Fair, and the High Point Community Healthy Family Celebration and this effort will continue in 2018.

The 2018 Proposed budget also includes funding to train five additional paramedic students. At SFD, paramedics are firefighters who have undergone specialized training to provide Advanced Life Support (ALS). SFD's base budget includes annual funding to provide five current firefighters with paramedic training, but due to higher than usual numbers of paramedic retirements over the last several years, additional funding is needed to address the high vacancy rate in this specialty. To become paramedics, firefighters must complete a 10-month training program through the University of Washington School of Medicine, learning how to conduct advanced medical procedures and to administer medications. The proposed funding increment will provide for the firefighters' training and for overtime backfill for their regular job assignments. This funding is a high priority for SFD, and the department is supplementing the City funding with resources from the Medic One Gift & Trust Fund sufficient to fund the training of two of the five additional paramedic students.

A Growing City Population

As the population of Seattle increases -- from 600,000 to more than 700,000 since 2009 -- so do the demands on SFD first responders. For instance, the number of calls processed at SFD's communications hub, the Fire Alarm Center (FAC), has increased more than 25% since the last time additional dispatchers were hired, in 2003. The proposed budget includes funding to hire four additional Firefighter-Dispatchers, which will bring the staffing level at the FAC from seven to eight per shift. The additional positions will increase SFD's ability to meet its call-answering standard and will better resource the FAC to help deliver emergency services across the City.

Basic Life Support (BLS) calls make up an increasing proportion of total calls that the FAC receives. These calls are those for which SFD response involves medical treatment not including invasive procedures or the administration of medication. The 2017 Adopted Budget added a peak-time aid unit -- a vehicle and staffing for 12 hours per day -- to respond to BLS incidents downtown and south of downtown. The 2018 Proposed Budget adds an additional unit north of the ship canal.

In 2005, BLS calls made up 47% of total calls to the FAC. In 2010 the figure was 52%, and in 2016 it was 55%. Other cities have experienced similar trends. Since the existing aid unit has been in operation, other units downtown and in the south end have experienced an average 16% reduction in call responses. The new aid unit in the north end is anticipated to absorb a similar proportion of the current demand on other responders. SFD collects extensive response data and will be able to monitor and quantify the new unit's impact.

Seattle Fire Department

Updated Information Technology Resources

The 2018 Proposed Budget adds funding to replace a system that directly supports SFD first responders. The department's dispatchers use a Computer Aided Dispatch (CAD) system to direct the closest and most appropriate resources to the site of an incident. When the CAD system is down for maintenance or to receive street-grid updates or (very rarely) due to power failure, SFD uses a backup system. That system was developed in house, which means that it requires custom maintenance, and it does not integrate with the CAD system. In 2018 SFD will replace the current system with one that is vendor developed and integrates with the CAD system. The new system will be easier to maintain and will provide a higher level of redundancy and better functionality for dispatchers.

Budget Performance Measures

The Seattle Fire Department participated in the Budget Performance Measures pilot. This pilot explores use of the annual budget book to discuss and display performance measures and related financial information for City departments. A more in-depth description of this pilot and its objectives can be found in the Budget Performance Measures section in the 2018 Proposed Budget introduction.

As part of this project, SFD worked with the City Budget Office to:

1. identify and present service area workload performance measures;
2. present actual and estimated achievements for each measure; and
3. present specific budgetary appropriations and position authorities associated with each measure, as appropriate.

The Budget Performance Measures section in the 2018 Proposed Budget introduction contains detailed descriptions of SFD's performance measures, including:

- Operations: Arrival on Scene of Fire and Emergency Medical Services Personnel
- Operations: Responses by Seattle Fire Department to Incidents in the City of Seattle

Seattle Fire Department

Incremental Budget Changes

Seattle Fire Department

	2018	
	Budget	FTE
Total 2018 Endorsed Budget	\$ 203,663,980	1,155.55
Baseline Changes		
Citywide Adjustments for Standard Cost Changes	\$ 1,515,081	0.00
Technical Adjustments	\$ 579,652	0.00
Proposed Changes		
Additional Firefighter Recruit Class	\$ 2,355,195	0.00
Resources to Train Five New Paramedics	\$ 271,050	0.00
Capacity to Support Increased Call Volume to Fire Alarm Center	\$ 698,080	4.00
New Peak-Time Aid Unit in North Seattle	\$ 632,966	0.00
Replacement of Backup Dispatch System	\$ 214,000	0.00
Proposed Technical Changes		
Local 2898 Labor Agreement	\$ 1,184,331	0.00
2018 Salary Increase for Uniformed SFD Staff	\$ 790,478	0.00
Changes to Law Enforcement Officers and Fire Fighters (LEOFF 2) Pension Program	\$ 258,861	0.00
Abrogation of Vacant Fire Captain Position	\$ 0	-1.00
Total Incremental Changes	\$ 8,499,694	3.00
2018 Proposed Budget	\$ 212,163,674	1,158.55

Descriptions of Incremental Budget Changes

Baseline Changes

Citywide Adjustments for Standard Cost Changes - \$1,515,081

Citywide technical adjustments made in the baseline phase reflect changes to internal services costs, health care, and industrial insurance charges for the department. These adjustments reflect initial assumptions about these costs and inflators early in the budget process. At SFD, the majority of these adjustments are due to increases in health-care costs.

Technical Adjustments - \$579,652

This adjustment includes a baseline change that aligns the budget with the Fire Department's actual operational

Seattle Fire Department

costs. It also includes several mostly budget-neutral departmental changes that more closely align resources with the work units that use them.

Proposed Changes

Additional Firefighter Recruit Class - \$2,355,195

SFD currently has a high number of vacancies, due mostly to retirements from an aging workforce. Mandatory minimum staffing levels require SFD to maintain service to the City around the clock and the department increasingly relies on overtime hours to staff the City's fire stations. This adjustment provides one-time funding to SFD to supplement its regularly held fall recruit class with an additional class in the spring of 2018, allowing a total of 60 new firefighter recruits to be hired in 2018. A portion of the funding for recruitment and training will support efforts to increase the diversity of the workforce.

Resources to Train Five New Paramedics - \$271,050

SFD's base budget includes annual funding to provide five current firefighters with paramedic training, but due to higher than usual numbers of paramedic retirements over the last several years, additional funding is needed to address the high vacancy rate in this specialty. This adjustment provides funding to train five additional paramedics -- for a total of 10 in 2018 -- and to backfill their positions while they are doing coursework. There is supplementary funding from the Medic One Gift and Trust Fund for \$181,000, which will support two of the trainees.

Capacity to Support Increased Call Volume to Fire Alarm Center - \$698,080/4.00 FTE

This adjustment provides funding and position authority for SFD to add four Firefighter-Dispatchers, which will increase the daily staffing level at the Fire Alarm Center (FAC) from seven to eight per shift. Seattle's population and the number of calls the dispatchers process have increased significantly since the last time SFD added dispatcher positions. The FAC phone call volume has increased more than 25% since the last time additional dispatchers were hired in 2003. The additional positions will increase SFD's ability to meet its call-answering standard and will better resource the FAC to help deliver emergency services across the City.

New Peak-Time Aid Unit in North Seattle - \$632,966

This change provides the 2018 personnel costs that will enable SFD to staff an aid unit in the north end for 12 hours a day, 365 days a year. This additional peak-time unit mitigates demands on existing resources and lessens the number of times an engine or ladder company is dispatched to an EMS incident, making such units more available for fire and rescue emergencies. SFD will use resources from its Medic One Gift and Trust Fund to purchase the aid car (\$271,000) for the new unit.

Replacement of Backup Dispatch System - \$214,000

Funding is provided to replace the current backup program to SFD's Computer Aided Dispatch (CAD) system. The outdated existing system was developed in-house and is no longer supported for upgrades. The new system will be a vendor product that integrates with the CAD system and ensure that SFD dispatchers are able to deploy emergency-response resources precisely where and when they are needed.

Proposed Technical Changes

Local 2898 Labor Agreement - \$1,184,331

In August 2017, the City finalized a new contract with the Seattle Fire Chiefs Association, International Association

Seattle Fire Department

of Fire Fighters, Local 2898. The previous contract had expired in January 2015 and the fire chiefs had not received a wage increase since January 2014. The agreement included a retroactive cost of living adjustment (COLA) that increased fire chiefs' wages by 2.2% in 2015, 1.1% in 2016, and 3.5% in 2017. It also provided for a 2018 increase equal to 100% of the increase of the Seattle-Tacoma-Bremerton Area Consumer Price Index ("CPI") from June 2016 to June 2017, with a "floor" of 1.5% and a "ceiling" of 4%. The CPI for this period was 3% (see the following adjustment). This adjustment increases SFD's budget appropriation so it can implement the terms of the contract.

The City and the IAFF also agreed to other changes in working conditions that are reflected in this adjustment. Effective January 2018, the City will reinstate Battalion 2 with a dedicated Battalion Chief in the downtown core. Effective in August 2017, certain contract provisions related to staffing in SFD's Administration unit and overtime pay and holiday hours in its Operations unit expired.

2018 Salary Increase for Uniformed SFD Staff - \$790,478

The 2018 wage increase for uniformed members of the Seattle Fire Department corresponds to the Seattle-Tacoma-Bremerton Area Consumer Price Index (CPI) for 2017 over 2016. When the biennial budget was developed last year, the City Budget Office planned for a CPI increase of 2.4%. The actual increase was 3%. This adjustment provides funding for the incremental amount.

Changes to Law Enforcement Officers and Fire Fighters (LEOFF 2) Pension Program - \$258,861

This item provides funding to SFD for changes made to the Law Enforcement Officers' and Fire Fighters' Retirement System (LEOFF 2). Effective July 1, 2017, the State of Washington reduced its contribution to the LEOFF 2 pension program from 5.43% to 5.23%. Because of this change, the City must contribute more to the LEOFF 2 pension program for SFD firefighters.

Abrogation of Vacant Fire Captain Position - (1.00) FTE

In 2010, SFD added a 1.0 FTE Fire Captain's position, fully funded by Sound Transit, in the second quarter supplemental legislation. Among other duties, this position coordinated the training of departmental staff who provide tunnel-rescue services. This body of work no longer requires a full-time position and the previous incumbent transferred to a different position that was vacant due to a retirement.

Seattle Fire Department

Expenditure Overview

Appropriations	Summit Code	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Administration Budget Control					
Finance		1,574,728	1,520,943	1,566,770	1,584,536
Human Resources		1,522,204	1,780,130	1,577,440	1,739,811
Information Systems		5,154,067	7,805,386	7,547,143	7,708,403
Office of the Chief		1,136,639	1,125,321	1,153,571	1,161,000
Public Affairs		6,327	606,569	627,020	634,132
Total	F1000	9,393,965	12,838,349	12,471,944	12,827,882
Fire Prevention Budget Control					
Code Compliance		338,231	541,359	554,771	558,831
Fire Investigation		1,310,627	1,316,858	1,352,753	1,354,561
Office of the Fire Marshal		891,241	1,257,821	1,294,670	1,370,816
Public Education		415,093	0	0	0
Regulating Construction		2,478,607	2,925,440	3,025,287	3,061,991
Special Events		768,691	529,056	543,074	547,204
Special Hazards		1,784,705	2,350,773	2,419,626	2,422,194
Total	F5000	7,987,194	8,921,307	9,190,181	9,315,597
Grants & Reimbursables	F6000	7,590,512	0	0	0
Budget Control Level					
Operations Budget Control					
Battalion 2		27,234,563	30,745,668	31,196,506	32,428,506
Battalion 3 - Medic One		15,462,605	16,387,725	16,596,764	16,876,623
Battalion 4		25,594,197	28,416,353	29,072,041	30,270,940
Battalion 5		26,562,704	26,268,601	26,859,002	28,019,093
Battalion 6		23,585,609	24,398,581	24,904,232	26,026,229
Battalion 7		22,824,101	22,010,198	22,409,780	23,481,127
Office of the Operations Chief		20,307,830	18,630,446	18,569,267	19,304,459
Total	F3000	161,571,608	166,857,572	169,607,592	176,406,977
Resource Management Budget Control					
Communications - Resource Mgmt		6,986,708	7,304,688	7,455,123	8,266,567
Safety and Risk Management		1,118,456	1,281,291	1,299,798	1,458,200
Support Services - Resource Mgmt		1,764,467	1,304,899	1,331,827	1,344,832
Training and Officer Development		2,380,738	2,428,373	2,307,515	2,543,619
Total	F2000	12,250,369	12,319,251	12,394,263	13,613,218
Department Total		198,793,648	200,936,479	203,663,980	212,163,674
Department Full-time Equivalent Total*		1,167.55	1,155.55	1,155.55	1,158.55

Seattle Fire Department

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

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.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Finance	1,574,728	1,520,943	1,566,770	1,584,536
Human Resources	1,522,204	1,780,130	1,577,440	1,739,811
Information Systems	5,154,067	7,805,386	7,547,143	7,708,403
Office of the Chief	1,136,639	1,125,321	1,153,571	1,161,000
Public Affairs	6,327	606,569	627,020	634,132
Total	9,393,965	12,838,349	12,471,944	12,827,882
Full-time Equivalents Total*	49.50	34.50	34.50	34.50

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

The following information summarizes the programs in Administration Budget Control Level:

Finance Program

The purpose of the Finance Program is to provide strategic financial planning and management to effectively utilize budgeted funds.

	2016	2017	2018	2018
Expenditures/FTE	Actuals	Adopted	Endorsed	Proposed
Finance	1,574,728	1,520,943	1,566,770	1,584,536
Full-time Equivalents Total	12.50	12.50	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.

	2016	2017	2018	2018
Expenditures/FTE	Actuals	Adopted	Endorsed	Proposed
Human Resources	1,522,204	1,780,130	1,577,440	1,739,811
Full-time Equivalents Total	9.00	11.00	11.00	11.00

Information Systems Program

Seattle Fire Department

The purpose of the Information Systems Program is to provide data and technology to support the Department.

Expenditures/FTE	2016	2017	2018	2018
	Actuals	Adopted	Endorsed	Proposed
Information Systems	5,154,067	7,805,386	7,547,143	7,708,403
Full-time Equivalents Total	21.00	0.00	0.00	0.00

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.

Expenditures/FTE	2016	2017	2018	2018
	Actuals	Adopted	Endorsed	Proposed
Office of the Chief	1,136,639	1,125,321	1,153,571	1,161,000
Full-time Equivalents Total	7.00	6.00	6.00	6.00

Public Affairs Program

The purpose of the Public Affairs Program is to provide strategic communication, internal and external information dissemination, community engagement, public outreach and fire and life safety education.

Expenditures/FTE	2016	2017	2018	2018
	Actuals	Adopted	Endorsed	Proposed
Public Affairs	6,327	606,569	627,020	634,132
Full-time Equivalents Total	0.00	5.00	5.00	5.00

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	2016	2017	2018	2018
	Actuals	Adopted	Endorsed	Proposed
Code Compliance	338,231	541,359	554,771	558,831
Fire Investigation	1,310,627	1,316,858	1,352,753	1,354,561
Office of the Fire Marshal	891,241	1,257,821	1,294,670	1,370,816
Public Education	415,093	0	0	0
Regulating Construction	2,478,607	2,925,440	3,025,287	3,061,991
Special Events	768,691	529,056	543,074	547,204
Special Hazards	1,784,705	2,350,773	2,419,626	2,422,194
Total	7,987,194	8,921,307	9,190,181	9,315,597
Full-time Equivalents Total*	56.50	61.50	61.50	61.50

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

Seattle Fire Department

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.

	2016	2017	2018	2018
Expenditures/FTE	Actuals	Adopted	Endorsed	Proposed
Code Compliance	338,231	541,359	554,771	558,831
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.

	2016	2017	2018	2018
Expenditures/FTE	Actuals	Adopted	Endorsed	Proposed
Fire Investigation	1,310,627	1,316,858	1,352,753	1,354,561
Full-time Equivalents Total	9.00	9.00	9.00	9.00

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.

	2016	2017	2018	2018
Expenditures/FTE	Actuals	Adopted	Endorsed	Proposed
Office of the Fire Marshal	891,241	1,257,821	1,294,670	1,370,816
Full-time Equivalents Total	7.50	8.50	8.50	8.50

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.

	2016	2017	2018	2018
Expenditures/FTE	Actuals	Adopted	Endorsed	Proposed
Public Education	415,093	0	0	0
Full-time Equivalents Total	3.00	0.00	0.00	0.00

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.

	2016	2017	2018	2018
Expenditures/FTE	Actuals	Adopted	Endorsed	Proposed
Regulating Construction	2,478,607	2,925,440	3,025,287	3,061,991
Full-time Equivalents Total	16.50	19.50	19.50	19.50

Seattle Fire Department

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.

	2016	2017	2018	2018
Expenditures/FTE	Actuals	Adopted	Endorsed	Proposed
Special Events	768,691	529,056	543,074	547,204
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.

	2016	2017	2018	2018
Expenditures/FTE	Actuals	Adopted	Endorsed	Proposed
Special Hazards	1,784,705	2,350,773	2,419,626	2,422,194
Full-time Equivalents Total	13.50	17.50	17.50	17.50

Grants & Reimbursables Budget Control Level

The purpose of the Grants & Reimbursable 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.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Grants & Reimbursables	7,590,512	0	0	0
Total	7,590,512	0	0	0
Full-time Equivalents Total*	2.50	1.00	1.00	0.00

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

Seattle Fire Department

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.

Program Expenditures	2016	2017	2018	2018
	Actuals	Adopted	Endorsed	Proposed
Battalion 2	27,234,563	30,745,668	31,196,506	32,428,506
Battalion 3 - Medic One	15,462,605	16,387,725	16,596,764	16,876,623
Battalion 4	25,594,197	28,416,353	29,072,041	30,270,940
Battalion 5	26,562,704	26,268,601	26,859,002	28,019,093
Battalion 6	23,585,609	24,398,581	24,904,232	26,026,229
Battalion 7	22,824,101	22,010,198	22,409,780	23,481,127
Office of the Operations Chief	20,307,830	18,630,446	18,569,267	19,304,459
Total	161,571,608	166,857,572	169,607,592	176,406,977
Full-time Equivalents Total*	1,001.25	1,001.25	1,001.25	1,001.25

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

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.

Expenditures/FTE	2016	2017	2018	2018
	Actuals	Adopted	Endorsed	Proposed
Battalion 2	27,234,563	30,745,668	31,196,506	32,428,506
Full-time Equivalents Total	205.45	205.45	205.45	205.45

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.

Expenditures/FTE	2016	2017	2018	2018
	Actuals	Adopted	Endorsed	Proposed
Battalion 3 - Medic One	15,462,605	16,387,725	16,596,764	16,876,623
Full-time Equivalents Total	83.00	82.00	82.00	82.00

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.

Seattle Fire Department

Expenditures/FTE	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Battalion 4	25,594,197	28,416,353	29,072,041	30,270,940
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.

Expenditures/FTE	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Battalion 5	26,562,704	26,268,601	26,859,002	28,019,093
Full-time Equivalents Total	185.45	185.45	185.45	185.45

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.

Expenditures/FTE	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Battalion 6	23,585,609	24,398,581	24,904,232	26,026,229
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.

Expenditures/FTE	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Battalion 7	22,824,101	22,010,198	22,409,780	23,481,127
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.

Expenditures/FTE	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Office of the Operations Chief	20,307,830	18,630,446	18,569,267	19,304,459
Full-time Equivalents Total	10.00	11.00	11.00	11.00

Seattle Fire Department

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.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Communications - Resource Mgmt	6,986,708	7,304,688	7,455,123	8,266,567
Safety and Risk Management	1,118,456	1,281,291	1,299,798	1,458,200
Support Services - Resource Mgmt	1,764,467	1,304,899	1,331,827	1,344,832
Training and Officer Development	2,380,738	2,428,373	2,307,515	2,543,619
Total	12,250,369	12,319,251	12,394,263	13,613,218
Full-time Equivalents Total*	57.80	57.30	57.30	61.30

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

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.

	2016	2017	2018	2018
Expenditures/FTE	Actuals	Adopted	Endorsed	Proposed
Communications - Resource Mgmt	6,986,708	7,304,688	7,455,123	8,266,567
Full-time Equivalents Total	31.80	31.80	31.80	35.80

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.

	2016	2017	2018	2018
Expenditures/FTE	Actuals	Adopted	Endorsed	Proposed
Safety and Risk Management	1,118,456	1,281,291	1,299,798	1,458,200
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.

	2016	2017	2018	2018
Expenditures/FTE	Actuals	Adopted	Endorsed	Proposed
Support Services - Resource Mgmt	1,764,467	1,304,899	1,331,827	1,344,832
Full-time Equivalents Total	8.00	8.00	8.00	8.00

Seattle Fire Department

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.

Expenditures/FTE	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Training and Officer Development	2,380,738	2,428,373	2,307,515	2,543,619
Full-time Equivalents Total	12.00	11.50	11.50	11.50

Fire Facilities Levy Fund

Fred Podesta, Director

(206) 386-0041

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

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).

Budget Snapshot

Department Support	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Other funding - Capital	\$3,539,382	\$0	\$0	\$0
Total Appropriations	\$3,539,382	\$0	\$0	\$0
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 Human Resources Director actions outside of the budget process may not be detailed here.

Budget Overview

Projects funded from the Fire Facilities Levy Fund are detailed in the Department of Finance and Administrative Services (FAS) CIP.

The levy stopped collecting levy funds in 2012 and the program is nearing completion. In 2017, the last planned project, at Fire Station 32, was in construction, and that work is anticipated to be completed in 2018. Other completed projects within the program include the Emergency Operations Center, the Joint Training Facility and a number of neighborhood fire station modifications and construction projects.

Fire Facilities Levy Fund

Fire Facilities Levy Fund Table

Fire Facilities Levy Fund Table (34440)

	2016 Actuals	2017 Adopted	2017 Revised	2018 Proposed
Beginning Fund Balance	5,374,512	3,282,513	1,868,380	-
Accounting and Technical Adjustments	(21,332)			-
Plus: Actual and Estimated Revenues	54,582	-	91,000	-
Less: Actual and Estimated Expenditures	3,539,382	3,282,513	1,959,380	-
Ending Fund Balance	1,868,380	-	-	-
Continuing Appropriations		-	-	-
Total Reserves		-	-	-
Ending Unreserved Fund Balance	1,868,380	-	-	-

Firefighters' Pension

Steve Brown, Executive Secretary

(206) 625-4355

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

Department Overview

The Firefighters' Pension Fund (FPEN) provides pension and medical benefit services to eligible active and retired firefighters and their beneficiaries. While the City pays into benefit funds for all Seattle firefighters, FPEN covers only firefighters who were hired before October 1, 1977 and therefore is a closed plan. Retiree benefits for firefighters hired more recently are primarily covered through a separate state-managed plan.

The management of firefighter benefits funds transitioned in the 1970s from local to state control. Prior to that time, the City paid into FPEN to provide for firefighter retiree benefits. In March 1970, the state created the Law Enforcement Officers and Fire Fighters Retirement System Plan 1 (LEOFF 1). Seattle firefighters hired between March 1970 and October 1977 enrolled in LEOFF 1, but also received additional benefit coverage through FPEN. As a result, this group of firefighters receives retiree benefits primarily from the state's LEOFF 1 plan, but also any earned increment from the City's FPEN that exceeds LEOFF 1 coverage. Both FPEN and LEOFF 1 closed to new enrollees in October 1977. Firefighters hired after that date enroll in the state's LEOFF 2 plan and do not receive benefits from FPEN.

The Seattle Firefighters' Pension Board is a five-member quasi-judicial body chaired by the Mayor or his/her designee, which formulates policy, rules on disability applications, and provides oversight of the Firefighters' Pension Fund. Four staff employees of the board handle all of its operational functions. Staff positions associated with Firefighters' Pension Fund are not reflected in the City's position list.

The projections of annual pension and medical benefits, which comprise about 97% of the total annual FPEN budget, are based on the forecasts of an independent actuary. The Firefighters' Pension Fund has two statutory funding sources. The first is a component of the City's property tax levy. These revenues are placed in the City's General Fund, which funds the Fire Pension Fund's annual budget. The second 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 to pay future pension liabilities of the fund.

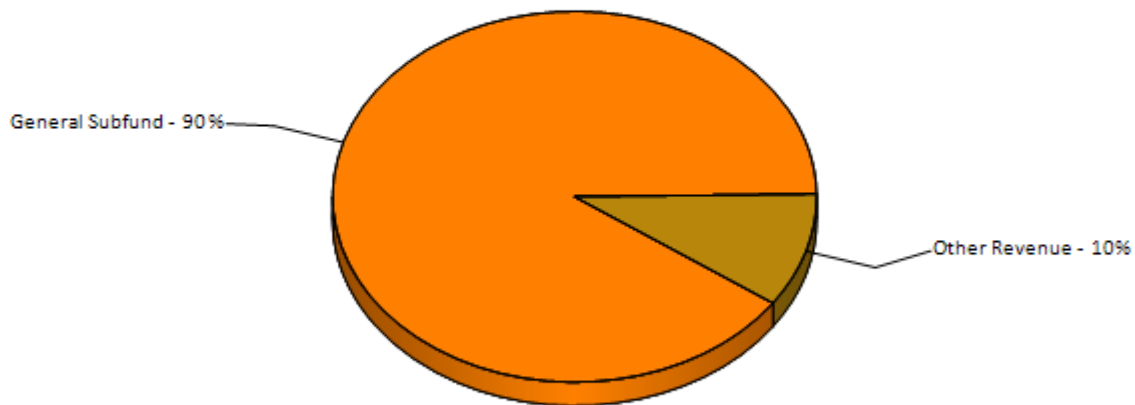
Firefighters' Pension

Budget Snapshot

Department Support	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
General Fund Support	\$17,163,500	\$18,787,000	\$19,481,248	\$18,840,000
Other Funding - Operating	\$2,230,045	\$1,300,000	\$1,319,000	\$1,907,000
Total Operations	\$19,393,545	\$20,087,000	\$20,800,248	\$20,747,000
Total Appropriations	\$19,393,545	\$20,087,000	\$20,800,248	\$20,747,000
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 Human Resources Director actions outside of the budget process may not be detailed here.

2018 Proposed Budget - Revenue by Category



Budget Overview

The Firefighters' Pension Fund (FPEN) receives almost all of its revenue from the City's General Fund. FPEN's expenditures pay the legally-mandated pension and medical benefits, including long-term care, to eligible retired firefighters and qualified beneficiaries. The total pension benefits for FPEN members are increased annually through locally negotiated cost of living adjustments (COLA) and then offset by benefits paid by the state's LEOFF 1 pension plan which has its own annual growth rate.

Firefighters' Pension

Most of FPEN's retirees are represented by either Local 27 (firefighters' union) or Local 2898 (fire chiefs' union) and their total pension benefits are increased annually with a COLA equal to the negotiated annual wage increases (AWI) for the active union members at the Seattle Fire Department. The 2018 Endorsed Budget included the COLA for Local 27 retirees, so additional adjustments are not needed in the 2018 Proposed Budget.

In August 2017, the City Council approved the collective bargaining agreement for the fire chiefs' union, Local 2898 ([Ordinance 125378](#)) which includes COLA from 2015 through 2018. The agreement will expire on December 31, 2018. Due to the timing of the ordinance, the 2017 and 2018 impacts to fire chiefs' pensions will not be adjusted in the 2018 Proposed Budget. Instead, additional 2017 appropriation authority will be requested in the 2017 4th Quarter Supplemental Budget Ordinance to pay the retroactive pension benefits due to Local 2898 retirees from 2015 through 2017. Similarly, 2018 appropriation authority will be requested in the 2018 1st Quarter Supplemental Budget Ordinance.

Retiree medical and long-term care costs remain unchanged from the 2018 Endorsed Budget. The actuarial valuation report anticipates those costs will increase over the next 15 to 20 years due to FPEN's aging membership and annual trend rates for medical and long-term care costs.

The Actuarial Account was previously invested in the City's cash pool and earned interest. In 2013, the funds from the Actuarial Account were placed into an investment portfolio managed by the Department of Finance and Administration Services. The 2018 Proposed Budget assumes an annual rate of return of 6.0% on the investment portfolio, and that the returns are continuously reinvested.

In November 2016, Council passed [Ordinance 125190](#) which sets a level payment amount from the City to the Firefighters' Pension Fund each year between 2017 and 2028. The payment will first be used to pay pension obligations of that year. The remaining balance will be transferred to the Actuarial Account for FPEN's future pension obligations.

Incremental Budget Changes

Firefighters' Pension

	2018 Budget	FTE
Total 2018 Endorsed Budget	\$ 20,800,248	4.00
Proposed Changes		
Change in Administrative Costs	-\$ 53,248	0.00
Total Incremental Changes	-\$ 53,248	0.00
2018 Proposed Budget	\$ 20,747,000	4.00

Firefighters' Pension

Descriptions of Incremental Budget Changes

Proposed Changes

Change in Administrative Costs - (\$53,248)

This adjustment decreases the expected administrative costs by \$53,248 to align the administrative costs with the past four years of actual costs.

Expenditure Overview

Appropriations	Summit Code	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Firefighters' Pension Budget Control					
Administration		611,431	670,000	683,248	630,000
Death Benefits		15,000	17,000	17,000	17,000
Medical Benefits		11,103,091	11,400,000	12,000,000	12,000,000
Pensions		7,664,023	8,000,000	8,100,000	8,100,000
Total	R2F01	19,393,545	20,087,000	20,800,248	20,747,000
Department Total		19,393,545	20,087,000	20,800,248	20,747,000
Department 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 Human Resources Director actions outside of the budget process may not be detailed here.

Firefighters' Pension

Revenue Overview

2018 Estimated Revenues

Summit Code	Source	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
	General Fund	17,163,500	18,787,000	19,481,245	18,840,000
	Total General Subfund	17,163,500	18,787,000	19,481,245	18,840,000
	Fire Insurance Premium Tax	1,004,588	950,000	969,000	982,000
	Medicare Rx Subsidy	471,235	350,000	350,000	425,000
	Return on Actuarial Account	1,143,468	641,000	676,000	676,005
	Total Other Revenue	2,619,291	1,941,000	1,995,000	2,083,005
	Total Revenues	19,782,791	20,728,000	21,476,245	20,923,005
	Use of (Contribution to) Fund Balance	-389,246	-641,000	-676,000	-176,005
	Total Use of (Contribution to) Fund Balance	-389,246	-641,000	-676,000	-176,005
	Total Resources	19,393,545	20,087,000	20,800,245	20,747,000

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.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Administration	611,431	670,000	683,248	630,000
Death Benefits	15,000	17,000	17,000	17,000
Medical Benefits	11,103,091	11,400,000	12,000,000	12,000,000
Pensions	7,664,023	8,000,000	8,100,000	8,100,000
Total	19,393,545	20,087,000	20,800,248	20,747,000
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 Human Resources 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.

	2016	2017	2018	2018
Expenditures/FTE	Actuals	Adopted	Endorsed	Proposed
Administration	611,431	670,000	683,248	630,000
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.

	2016	2017	2018	2018
Expenditures	Actuals	Adopted	Endorsed	Proposed
Death Benefits	15,000	17,000	17,000	17,000

Medical Benefits Program

The purpose of the Medical Benefits Program is to provide medical benefits to eligible members as prescribed by state law.

	2016	2017	2018	2018
Expenditures	Actuals	Adopted	Endorsed	Proposed
Medical Benefits	11,103,091	11,400,000	12,000,000	12,000,000

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	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Pensions	7,664,023	8,000,000	8,100,000	8,100,000

Firefighters Pension Fund Table

Firefighters Pension Fund (60200)

	2016 Actuals	2017 Adopted	2017 Revised	2018 Endorsed	2018 Proposed
Beginning Fund Balance	14,922,667	15,556,492	15,311,913	16,197,492	16,102,913
Accounting and Technical Adjustments	0	0	0	0	0
Plus: Actual and Estimated Revenues	19,782,791	20,728,000	20,828,000	21,476,245	20,923,005
Less: Actual and Budgeted Expenditures	19,393,545	20,087,000	20,037,000	20,800,248	20,747,000
Ending Fund Balance	15,311,913	16,197,492	16,102,913	16,873,489	16,278,918
Actuarial Account	12,159,640	12,290,997	12,800,640	12,966,997	13,476,645
Contingency Reserve	500,000	500,000	500,000	500,000	500,000
Rate Stabilization Reserve	2,652,273	3,406,495	2,802,273	3,406,495	2,302,273
Total Reserves	15,311,913	16,197,492	16,102,913	16,873,492	16,278,918
Ending Unreserved Fund Balance	0	0	0	-3	0

Office of the Inspector General for Public Safety

Department Overview

The Office of the Inspector General for Public Safety (OIG) was established as in 2017 via [Ordinance 125315](#) to help ensure the fairness and integrity of the police system in its delivery of law enforcement services. OIG provides civilian auditing of the management, practices, and policies of Seattle Police Department (SPD) and Office of Police Accountability (OPA) and oversee ongoing fidelity to organizational reforms implemented pursuant to the goals of the 2012 Federal Consent Decree and Memorandum of Understanding.

Responsibilities of OIG include:

- performing oversight activities that ensure the ongoing integrity of SPD processes and operations;
- ensuring SPD is meeting its mission to address crime and improve quality of life through the delivery of Constitutional, professional, and effective police services, and meeting its mission in a way that reflects the values of Seattle's diverse communities;
- conducting risk management reviews and performance audits;
- reviewing misconduct complaint-handling and investigations by the OPA; and
- making recommendations to policymakers for increasing the effectiveness of SPD and related criminal justice system processes.

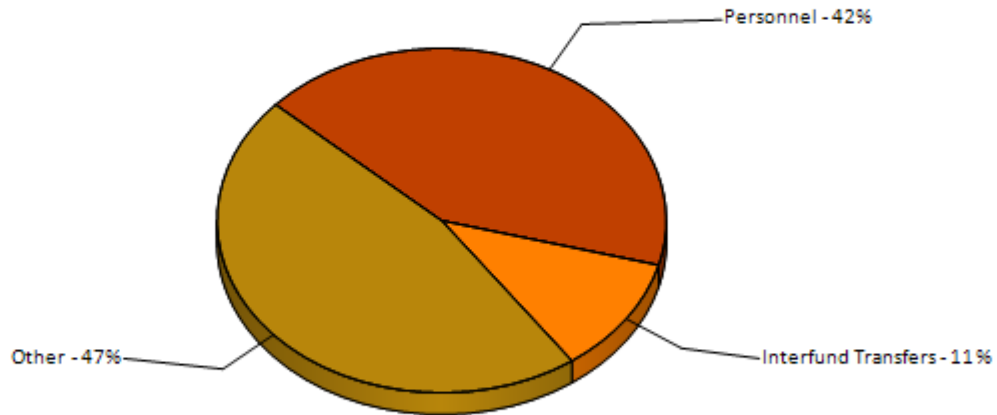
Budget Snapshot

Department Support	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
General Fund Support	\$0	\$0	\$0	\$1,454,802
Total Operations	\$0	\$0	\$0	\$1,454,802
Total Appropriations	\$0	\$0	\$0	\$1,454,802
Full-time Equivalent Total*	0.00	0.00	0.00	4.00

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

Office of the Inspector General for Public Safety

2018 Proposed Budget - Expenditure by Category



Budget Overview

The 2018 Proposed Budget establishes the annual operating budget for the Office of the Inspector General for Public Safety (OIG). In June 2017, a partial-year budget was established to support four positions for the office via [Ordinance 125314](#). The 2018 Proposed Budget doubles the capacity of OIG and provides resources to support four additional positions. It is anticipated that the Council will appoint an Inspector General in late 2017 and hiring of additional staff will commence in early 2018. To allow the new Inspector General flexibility in establishing their office staffing needs, specific position authority will be added via ordinance in early 2018.

Provisions of the police accountability legislation ([Ordinance 125315](#)), and related new funding added in the 2018 Proposed Budget, are subject to review by US District Court.

Office of the Inspector General for Public Safety

Incremental Budget Changes

Office of the Inspector General for Public Safety

	2018 Budget	FTE
Proposed Changes		
Expand oversight capacity	\$ 426,000	0.00
Proposed Technical Changes		
Establish baseline budget for the Office of the Inspector General	\$ 1,028,802	4.00
Total Incremental Changes	\$ 1,454,802	4.00
2018 Proposed Budget	\$ 1,454,802	4.00

Descriptions of Incremental Budget Changes

Proposed Changes

Expand oversight capacity - \$426,000

This adjustment provides funding for expansion of the Office of the Inspector General for Public Safety's (OIG) staff. Four positions were added to OIG in mid-2017. This adjustment provides partial-year funding for an additional four positions to double the staffing for OIG. Partial-year funding is provided, recognizing that there will be a transition period for the Inspector General assume the role, review staffing needs, work with the Seattle Department of Human Resources to classify positions and recruit and hire staff. The corresponding position authority that accompanies this funding will be added in 2018 once the Inspector General has been hired and has had an opportunity to assess what types of positions would be most valuable and necessary for the office to be successful.

Proposed Technical Changes

Establish baseline budget for the Office of the Inspector General - \$1,028,802/4.00 FTE

This adjustment annualizes the costs of four positions (4.0 FTE) added to OIG in mid-2017 via [Ordinance 125314](#). The adjustment also annualizes the funding needed for day-to-day operations for items such as office supplies, space rent, and consultant funding.

Office of the Inspector General for Public Safety

Expenditure Overview

Appropriations	Summit Code	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Office of the Inspector General for Public Safety Budget Control Level	VI100	0	0	0	1,454,802
Department Total		0	0	0	1,454,802
Department Full-time Equivalents Total*		0.00	0.00	0.00	4.00

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

Appropriations By Budget Control Level (BCL) and Program

Office of the Inspector General for Public Safety Budget Control Level

The purpose of the Office of the Inspector General for Public Safety BCL is to provide civilian oversight of management and operations of the Seattle Police Department (SPD) and Office of Police Accountability (OPA) as well as civilian review of criminal justice system operations and practices that involve SPD or OPA.

Program Expenditures	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Office of the Inspector General for Public Safety	0	0	0	1,454,802
Total	0	0	0	1,454,802
Full-time Equivalents Total*	0.00	0.00	0.00	4.00

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

Law Department

Peter S. Holmes, City Attorney

Civil Division, (206) 684-8200; Criminal Division, (206) 684-7757

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

Department Overview

The Law Department serves as counsel to the City's elected officials and agencies, and as the prosecutor in Seattle Municipal Court. The Seattle City Attorney, Peter S. Holmes, is a nonpartisan elected official.

The purpose of the department is to provide legal advice to City officials, represent the City in litigation, and protect the public health, safety, and welfare of the community by prosecuting violations of City criminal and civil ordinances and state law. The four department divisions are described below.

The purpose of the **Administration Division** is to provide executive leadership, communications, and operational support for the entire department. It is comprised of the executive leadership team, human resources, finance, media relations, and information technology staff.

The **Civil Division** provides legal counsel and representation to the City's elected and appointed policymakers in litigation at all levels of county, state, federal courts, and administrative agencies. The Civil Division is organized into the following seven specialized areas of practice: Employment, Environmental Protection, Land Use, Government Affairs, Torts, Regulatory Enforcement & Economic Justice, and Utilities & Contracts.

The **Criminal Division** prosecutes misdemeanor crimes in Seattle Municipal Court, provides legal advice to City clients on criminal justice matters, monitors state criminal justice legislation of interest to the City, and participates in criminal justice policy development and management of the criminal justice system. The Criminal Division is comprised of a Prosecution Support Team, Case Preparation Team, Domestic Violence Unit, Appellate Practice, Filing/Early Plea Unit, Specialty Courts Unit (Mental Health, Veterans' Court, DUI, and Infractions Program), and one trial team.

The **Precinct Liaison Division** funds attorneys to work in each of the City's five police precincts, providing legal advice to police and other City departments, and solving issues of concern to the community.

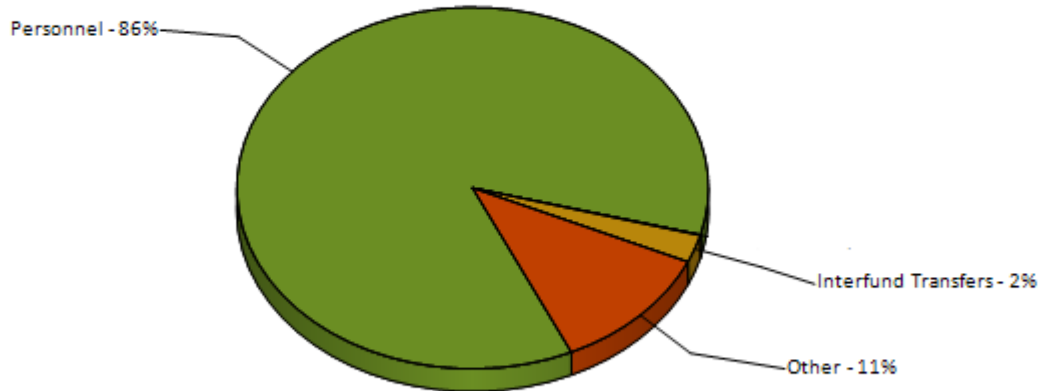
Budget Snapshot

Department Support	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
General Fund Support	\$25,418,816	\$27,327,079	\$28,209,191	\$28,887,428
Total Operations	\$25,418,816	\$27,327,079	\$28,209,191	\$28,887,428
Total Appropriations	\$25,418,816	\$27,327,079	\$28,209,191	\$28,887,428
Full-time Equivalent Total*	177.10	183.60	184.10	190.60

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

Law Department

2018 Proposed Budget - Expenditure by Category



Budget Overview

The 2018 Proposed Budget provides additional resources to the Law Department to increase staffing to address special projects and improve data management. The Law Enforcement Assisted Diversion (LEAD) program started in 2011 to address low-level drug and prostitution crimes in Seattle's Belltown neighborhood and the Skyway area. The LEAD program diverts participants into community-based treatment and support services rather than prosecuting them through the traditional channels of the criminal justice system. In 2017, a prosecutor position was added in the Criminal Division to continue the progress toward reducing recidivism, improving public safety and quality of life, and lowering costs associated with criminal prosecution. The 2018 Proposed Budget adds 0.5 FTE paralegal position to assist the prosecutor by tracking case filings, and recommendation on release, dismissal and dispositions. Funding for both positions is provided to the City by the LEAD program administrator. The position will combine with another 0.5 FTE paralegal position approved in the 2018 Endorsed Budget for the Pre-filing Diversion Program and will support these two social justice programs.

An important priority for the City Attorney is compensation of Civil Division and Precinct Liaison attorneys. A recent market study found the attorneys are still below the market midpoint, even with nearly \$1.28 million in additional funding appropriated since 2014. An increase of \$200,000 in 2018 will bring those who are significantly below market closer to the midpoint of the 2016 market study for government attorneys.

Since 2011, three attorneys have been added to the Civil Division to defend police action cases. This provides an overall savings to the City by using inhouse attorneys rather than the higher cost of outside counsel. Another attorney position is added in the 2018 Proposed Budget. In addition to police action cases, the position will advise the Seattle Police Department (SPD) and the Mayor on matters related to the Department of Justice (DOJ) Consent Decree.

The current Criminal Division case management application, DAMION, was implemented in 1998 to track all

Law Department

aspects of prosecution including police reports, charging files, victims, witnesses, defendants, court dates and dispositions. The system relies upon significant data exchanges with SPD and the Seattle Municipal Court. The vendor is no longer fully supporting the system. Replacement with a web-based version of DAMION, called JWorks, will expand and enhance the case management and is expected to integrate with the Municipal Court Information System upgrade. Seattle IT will manage the project and \$325,000 of the project's total \$480,000 cost will be bond-funded in the Criminal Justice Information System Replacement Project.

Incremental Budget Changes

Law Department

	2018 Budget	FTE
Total 2018 Endorsed Budget	\$ 28,209,191	184.10
Baseline Changes		
Technical Baseline Changes	\$ 0	2.00
Citywide Adjustments for Standard Cost Changes	\$ 85,007	0.00
Supplemental Budget Changes	\$ 219,630	3.00
Proposed Changes		
Increase Part-time Assistant Paralegal to Full-time	\$ 0	0.50
Market Salary Adjustment for Civil Division Attorneys	\$ 200,000	0.00
Police Action Assistant City Attorney	\$ 173,600	1.00
Proposed Technical Changes		
Transfer Position from Criminal to Administrative Division	\$ 0	0.00
Total Incremental Changes	\$ 678,237	6.50
2018 Proposed Budget	\$ 28,887,428	190.60

Descriptions of Incremental Budget Changes

Baseline Changes

Technical Baseline Changes - 2.00 FTE

This adjustment reflects the addition of 2.00 FTE previously approved in the 2015 4th Quarter Supplemental Budget Legislation adding staffing for the Alaska Way Viaduct/Seawall litigation paid by the Judgment and Claims Fund.

Law Department

Citywide Adjustments for Standard Cost Changes - \$85,007

Citywide technical adjustments made in the baseline phase reflect changes to internal services costs, health care, and industrial insurance charges for the department. These adjustments reflect initial assumptions about these costs and inflators early in the budget process.

Supplemental Budget Changes - \$219,630/3.00 FTE

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

- **Domestic Violence Firearm Surrender Program.** In the 1st Quarter Supplemental, Council approved funding an assistant City prosecutor and a senior paralegal to implement and enforce the surrender of firearms from prohibited possessors.
- **Traffic Safety Resource Prosecutor.** In the 2nd Quarter Supplemental, Council accepted a grant from the Washington Traffic Safety Commission to fund an assistant city prosecutor to act as a liaison on impaired driving issues among prosecutors, law enforcement, judges and the traffic safety community.

Proposed Changes

Increase Part-time Assistant Paralegal to Full-time - .50 FTE

This additional staffing will provide administrative support for the Law Enforcement Assisted Diversion (LEAD) program. LEAD is a program designed to address low-level drug and prostitution crimes by diverting participants into support services including housing, healthcare, job training, treatment, and mental health support, rather than prosecution through traditional channels of the criminal justice system. The position will track compliance and coordinate with Seattle Municipal Court. This position will assist the city prosecutor position approved in the 2017 Adopted Budget by tracking case filings, and recommendations on release, dismissal and dispositions. An MOU provides funding from the LEAD program administrator. This would combine with the part-time paralegal supporting the Pre-filing Diversion Program.

Market Salary Adjustment for Civil Division Attorneys - \$200,000

This item adds \$200,000 to fund attorney salary increases in the Civil Division and Precinct Liaison Division. This continues the effort over the last few years to address the wage gap of assistant City attorneys and is informed by a recent market study of government attorneys.

Police Action Assistant City Attorney - \$173,600/1.00 FTE

An assistant city attorney position and funding in the Law Department will provide services to the Seattle Police Department, the Mayor's Office and City Council for Department of Justice consent decree and police action matters. In the near term, this position will backfill a loan to the Seattle Police Department to provide an interim Director for the Office of Police Accountability. In the longer run, this position will further reduce the City's reliance on utilizing outside counsel in police action cases.

Law Department

Proposed Technical Changes

Transfer Position from Criminal to Administrative Division

An administrative specialist position will transfer from the Criminal to Administration Division. Over the last two years, the duties of the position have expanded from Criminal Division support to include more department-wide functions.

Expenditure Overview

Appropriations	Summit Code	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Administration Budget Control Level	J1100	2,468,959	2,497,927	2,579,251	2,663,425
Civil Budget Control Level	J1300	14,821,201	15,557,616	16,012,062	16,413,642
Criminal Budget Control Level	J1500	7,424,343	8,427,727	8,748,632	8,918,976
Precinct Liaison Attorneys Budget Control Level	J1700	704,313	843,809	869,246	891,385
Department Total		25,418,816	27,327,079	28,209,191	28,887,428

Department Full-time Equivalents Total*	177.10	183.60	184.10	190.60
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* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

Appropriations By Budget Control Level (BCL) and Program

Administration Budget Control Level

The purpose of the Administration Budget Control Level is to provide the financial, technological, administrative and managerial support for the Department.

Program Expenditures	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Administration	2,468,959	2,497,927	2,579,251	2,663,425
Total	2,468,959	2,497,927	2,579,251	2,663,425
Full-time Equivalents Total*	16.30	16.30	16.30	17.30

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

Law Department

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	2016	2017	2018	2018
	Actuals	Adopted	Endorsed	Proposed
Civil	14,821,201	15,557,616	16,012,062	16,413,642
Total	14,821,201	15,557,616	16,012,062	16,413,642
Full-time Equivalents Total*	96.30	97.80	97.80	100.80

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

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	2016	2017	2018	2018
	Actuals	Adopted	Endorsed	Proposed
Criminal	7,424,343	8,427,727	8,748,632	8,918,976
Total	7,424,343	8,427,727	8,748,632	8,918,976
Full-time Equivalents Total*	59.50	64.50	65.00	67.50

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

Precinct Liaison Attorneys Budget Control Level

The purpose of the Precinct Liaison Budget Control Level is to support a program where attorneys work in each of the City's five precincts, providing legal advice to police and other City departments. In helping to address a variety of neighborhood and community problems, the precinct liaison attorneys coordinate with the Civil and Criminal divisions with the goal of providing a consistent, thorough and effective approach.

Program Expenditures	2016	2017	2018	2018
	Actuals	Adopted	Endorsed	Proposed
Precinct Liaison Program	704,313	843,809	869,246	891,385
Total	704,313	843,809	869,246	891,385
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 Human Resources Director actions outside of the budget process may not be detailed here.

Seattle Municipal Court

The Honorable Karen Donohue, Presiding Judge

(206) 684-5600

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

Judicial Branch Overview

The Seattle Municipal Court (Court) is authorized by the State of Washington and the Seattle Municipal Code to adjudicate misdemeanors, gross misdemeanors, infractions (e.g., traffic infractions, parking violations, and other infractions), and civil violations including those related to building and zoning offenses. The Judicial Branch of Seattle government has seven elected judges and six appointed magistrates (5.5 FTEs). There are more cases processed here than any other municipal court in the State of Washington.

The Court is committed to excellence in providing fair, accessible and timely resolution of alleged violations of the Seattle Municipal Code in an atmosphere of respect for the public, Court employees and other government entities. The Court works closely with the Seattle Police Department, the City Attorney and the defense bar toward a safe and vital community. The Court also partners with community organizations to increase access to services for residents and enhance compliance with court-ordered conditions. The employees and volunteers of the Court are recognized as a valued part of the organization with many of them working directly with the defendants. Court staff involvement with defendants includes monitoring adherence to court orders for probation and day reporting, assessing treatment needs, and directing them to social service resources. Probation Officers and volunteer staff are in contact with defendants at the Court Resource Center offering services that include, but are not limited to:

- GED preparation classes;
- assistance in voicemail, cell phone, and post office box sign up;
- employment readiness classes;
- chemical dependency "Living in Sobriety" classes;
- housing assistance;
- identification replacement assistance;
- assistance in applying for state Department of Social and Health Service benefits;
- mental health treatment referrals; and
- direct computer connections to the Seattle Public Library.

Alternatives to jail have substantially reduced the City's jail expenditures and created opportunities for defendants to address underlying problems which lead to criminal behavior. Some of these alternatives include the following:

- work crew;
- community service;
- day reporting;
- random breath testing and urine analysis;
- Electronic Home Monitoring (EHM) and Secure Remote Alcohol Monitoring (SCRAM); and
- ignition interlock devices.

SMC has provided **Interpreter Services** in 136 languages since 2005. A Court priority is ensuring access to justice for defendants with Limited English Proficiency (LEP), or are deaf, hard-of-hearing, or deaf-blind (D/HH/DV)

Seattle Municipal Court

individuals. The interpreter services are free of charge for criminal and civil matters for court hearings, trials, attorney-client interviews, probation and EHM appointments, prosecution witnesses, mental health evaluations, customer service, and translation of court forms and letters. In 2016, about 7,000 interpreted events were conducted with the help of 166 freelance interpreters in 65 languages, including American Sign Language. Approximately 40% of the requests are for Spanish language interpreters. Other frequent requests for interpretation include the Vietnamese, Somali, Amharic, Tigrinya, Cantonese, Mandarin, and Oromo languages.

In addition to the three general trial courts, the jail arraignment calendar and the master jury trial calendar, the Court serves defendants and the community through four specialty court calendars.

The **Mental Health Court Calendar (MHC)**, established in 1999, is nationally recognized for serving misdemeanor offenders who are mentally ill or developmentally disabled. Defendants are expected to maintain treatment compliance, contact social service providers and adhere to other conditions of release. Once defendants opt into the court, frequent reviews are held. Judges become familiar with defendants, obtain input from dedicated probation staff, and make informed decisions while holding defendants responsible for their actions. The court holds contested competency and contested restoration hearings. Defendants may elect to opt out or enter into a disposition and remain under MHC supervision. Defendants can also be referred for supervision from mainstream courtrooms.

Seattle Community Court Needs Based Sentencing (NBS) Program implemented on January 9, 2017, is a similar model to the Seattle Community Court, which operated from 2005-2016. The new NBS program aims to build upon the success of Community Court by widening the diversion offer of community service and mandated social service contacts to all mainstream SMC courtrooms. The NBS sentence for individuals admitting to low level, quality of life crimes is in lieu of jail time. The program hopes to expand eligibility criteria and ultimately increase participation for individuals who may benefit from a need based rather than traditional sentence. The target population is individuals charged with non-domestic violence, non-driving under the influence low-level crimes including theft and criminal trespass, who may have some past criminal history. The City Attorney's Office may make an initial NBS offer for program entry or a judge may impose a NBS at time of sentencing later in the case. The defendant receives the opportunity to have his or her charges dismissed upon successful completion of the NBS conditions.

Seattle Veterans Treatment Court Calendar was established in 2012 to meet the needs of defendants who previously served in the military and were generally discharged. The Court works closely with the King County Department of Community and Human Services, the Washington State Department of Veterans Affairs and the U.S. Department of Veterans Affairs to access agency resources available to veterans. Typically, the veterans come before the court with substance abuse and/or serious mental health issues. Treatment incorporates core values of military life including integrity, initiative and accountability.

The **Domestic Violence Calendars** were established in 2004 and are staffed by designated judges and specialized probation counselors. These courts preside over dedicated pretrial, trial, review and revocation court hearings each week. Victim safety is a primary concern in these cases and special emphasis is placed on accountability for offender actions. Intensive court supervision increases compliance with court conditions and scheduling more immediate violation reviews provide greater assurance of public safety. The Court addresses no contact order violations swiftly.

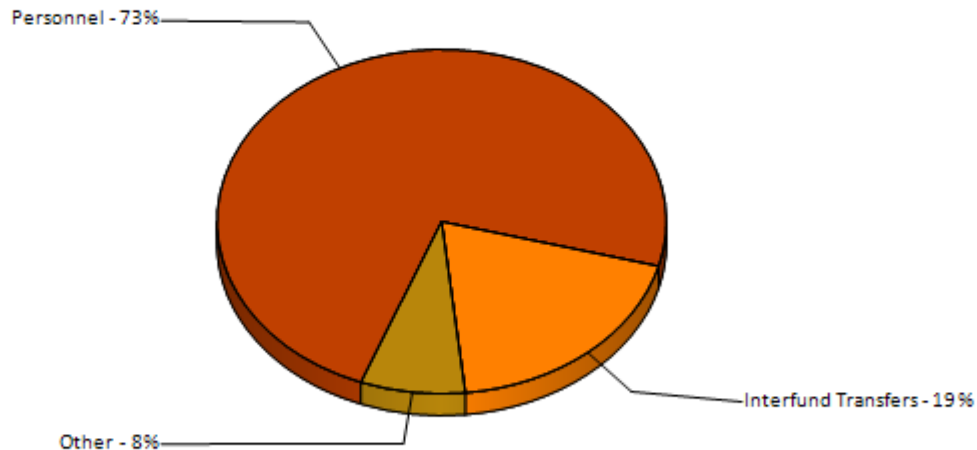
Seattle Municipal Court

Budget Snapshot

Department Support	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
General Fund Support	\$31,518,797	\$31,982,811	\$32,548,425	\$32,682,270
Total Operations	\$31,518,797	\$31,982,811	\$32,548,425	\$32,682,270
Total Appropriations	\$31,518,797	\$31,982,811	\$32,548,425	\$32,682,270
Full-time Equivalent Total*	214.10	213.10	213.10	213.10

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

2018 Proposed Budget - Expenditure by Category



Budget Overview

The 2018 Proposed Budget provides resources to enable the Court to continue to adjudicate criminal cases, citations and infractions.

A priority for the Court is to continue preparing for the replacement of the Municipal Court Information System (MCIS). MCIS is over 27 years old and was developed internally using the legacy IBM Informix platform to capture key court case events and meet the reporting requirements of the state's Administrative Office of the Courts (AOC). Over time, the Court has enhanced this system to provide important case management information, increased application functionality and improved data exchanges and public access. The Court and the City are highly dependent on MCIS to provide a continuing, permanent record of court case events, dates, hearings and

Seattle Municipal Court

outcomes. MCIS also tracks defendant compliance with court ordered sanctions and tracks all related fines and fees. Data related to the collection of \$47 million in fines and fees from the Seattle Police Department's parking and traffic ticket devices are highly dependent on MCIS. Daily data exchanges with the City of Seattle departments, King County and the State of Washington agencies rely on MCIS fully functioning with modern technology capabilities.

This project is included in the Seattle IT capital improvement program, as part of the Criminal Justice Information System Replacement Project, with an estimated total cost of \$41 million over six years. In 2017, \$2.5 million was appropriated to Seattle IT to conduct an options analysis comparing available options as well as hold vendor demonstrations and conduct research for information on technology capabilities, while concurrently documenting MCIS current business practices and requirements. The project budget is adjusted to \$5 million for 2018 to reflect updates to the timing and cost of the project. Vendor procurement is expected in July 2018. At that decision point, a better total project cost will be refined.

Elected state, superior and district court judicial salaries are set by the Washington Citizen's Commission on Salaries for Elected Officials. By City [Ordinance 122112](#), SMC judicial salaries are set at 95% of the district court. A final salary schedule and wage increase has been mandated effective September 2017 and the budget will fund this increase. Additionally, setting SMC judicial salaries at this level qualifies the City to receive a contribution from the state for technology improvements at SMC per the aforementioned ordinance.

The U.S. Federal Marshals Security Survey of the Seattle Justice Center recommended the addition of keycard readers to the two doors in the back of each courtroom. The doors lead to a publicly restricted area used by Judges, jurors and Court personnel. This REET funded project will provide courtroom security, particularly when in-custody defendants are attending hearings. A second project is the addition of security doors on floors three and nine to separate the courtrooms' back hallways from the administrative offices. This project will go into the queue for funding in subsequent years.

Seattle Municipal Court

Incremental Budget Changes

Seattle Municipal Court

	2018	
	Budget	FTE
Total 2018 Endorsed Budget	\$ 32,548,425	213.10
Baseline Changes		
Technical Baseline Changes	\$ 0	0.00
Citywide Adjustments for Standard Cost Changes	\$ 127,345	0.00
Proposed Changes		
Judicial Salary Adjustment	\$ 34,500	0.00
Proposed Technical Changes		
Transfer Expert Witness Budget from Seattle Municipal Court to Indigent Defense Services Budget	-\$ 28,000	0.00
Total Incremental Changes	\$ 133,845	0.00
2018 Proposed Budget	\$ 32,682,270	213.10

Descriptions of Incremental Budget Changes

Baseline Changes

Technical Baseline Changes

In the 2017 Adopted Budget a request to transfer a 0.5 FTE position from Court Operations to Court Administration was approved. The FTE and budget was transferred for 2017, however, the budget of \$50,697 was not transferred for 2018. The budget is transferred with this baseline item with an overall net zero-change.

Citywide Adjustments for Standard Cost Changes - \$127,345

Citywide technical adjustments made in the baseline phase reflect changes to internal services costs, health care, and industrial insurance charges for the department. These adjustments reflect initial assumptions about these costs and inflators early in the budget process. This adjustment also includes the Annual Wage Increase (AWI) for Local 77 Information Technology Professionals B and Cs who were not consolidated into Seattle IT in 2016.

Seattle Municipal Court

Proposed Changes

Judicial Salary Adjustment - \$34,500

In Washington state, elected state, superior and district court judicial salaries are set by the Washington Citizen's Commission on Salaries for Elected Officials. As directed in [Ordinance 122112](#), Seattle Municipal Court judicial salaries are set at 95% of the district court. A final salary schedule and wage increase has been mandated effective September 2017 which the Court will absorb within their 2017 budget. The proposed budget funds the 2018 increase. Additionally, setting SMC judicial salaries at this level qualifies the City to receive a contribution from the State for technology improvements at SMC. The state contribution is generally \$150,000 annually and is applied to the Trial Court Improvement Account in Finance General. The Court uses this account to fund one-time technology improvements such as the Electronic Court Filing Project.

Proposed Technical Changes

Transfer Expert Witness Budget from Seattle Municipal Court to Indigent Defense Services Budget - (\$28,000)

This technical adjustment is to transfer the Expert Witness Account and the associated funding of \$28,000 from SMC to Criminal Justice Contracted Services (CJCS) Budget and Indigent Defense Services BCL. The purpose of the Expert Witness Account is to pay for expert witnesses at the request of defense attorneys to testify before court hearings and court trials. SMC judges will still rule upon the defense attorney's requests for expert witnesses and associated expense. SMC will manage the payment processes and invoice CJCS on a quarterly basis for reimbursement.

Expenditure Overview

Appropriations	Summit Code	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Court Administration Budget Control Level	M3000	7,678,755	7,844,646	7,754,370	7,896,890
Court Compliance Budget Control Level	M4000	6,134,569	6,239,717	6,449,133	6,457,935
Court Operations Budget Control Level	M2000	17,705,473	17,898,448	18,344,922	18,327,445
Department Total		31,518,797	31,982,811	32,548,425	32,682,270

Department Full-time Equivalents Total*	214.10	213.10	213.10	213.10
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* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

Seattle Municipal Court

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.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Court Administration	7,678,755	7,844,646	7,754,370	7,896,890
Total	7,678,755	7,844,646	7,754,370	7,896,890
Full-time Equivalents Total*	32.50	34.00	34.00	34.00

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

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.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Court Compliance	6,134,569	6,239,717	6,449,133	6,457,935
Total	6,134,569	6,239,717	6,449,133	6,457,935
Full-time Equivalents Total*	42.85	42.85	42.85	42.85

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

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.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Court Operations	17,705,473	17,898,448	18,344,922	18,327,445
Total	17,705,473	17,898,448	18,344,922	18,327,445
Full-time Equivalents Total*	138.75	136.25	136.25	136.25

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

Seattle Police Department

Kathleen O'Toole, Chief of Police

(206) 684-5577

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

Department Overview

The Seattle Police Department (SPD) prevents crime, enforces laws, and enhances public safety by delivering respectful, professional, and dependable police services. SPD divides operations into five precincts. These precincts define east, west, north, south, and southwest patrol areas, with a police station in each area. The department's organizational model places neighborhood-based emergency response services at its core, allowing SPD the greatest flexibility in managing public safety. Under this model, neighborhood-based personnel in each precinct assume responsibility for public safety management, primary crime prevention and law enforcement. Precinct-based detectives investigate property crimes and crimes involving juveniles, whereas detectives in centralized units located at SPD headquarters downtown and elsewhere conduct follow-up investigations into other types of crimes. SPD also has citywide responsibility for enhancing the City's capacity to plan for, respond to, recover from, and reduce the impacts of a wide range of emergencies and disasters, under the auspices of the Office of Emergency Management. Other parts of the department function to train, equip, and provide policy guidance, human resources, communications, and technology support to those delivering direct services to the public.

Following her appointment in 2014, Police Chief Kathleen O'Toole adopted a set of priorities that continue to guide the department:

1. **Restore Public Trust** - Implement the [Settlement Agreement](#) with the United States Department of Justice (DOJ) in an expeditious manner, connect SPD leadership with the community and increase SPD officer presence, ensuring that citizens feel safe in their neighborhoods and the downtown core.
2. **Restore SPD Pride and Professionalism** - Initiate a robust leadership development program to train the future leaders of SPD, create an advisory team to ensure the Chief receives input from community leaders and change the public face of the department by issuing updated and modern uniforms, equipment and vehicles.
3. **Address Crime and Quality-of-Life Issues: Seattle is a city of neighborhoods** - Create Micro-Community Policing plans for neighborhoods in Seattle; enhance partnerships with businesses and civic organizations like the Downtown Seattle Association; and build relationships with academic institutions that can assist SPD in developing innovative policing practices.
4. **Promote Best Business Practices** - Empower the department's Chief Operating Officer to allocate resources in a responsible manner and to ensure the department runs as efficiently and effectively as possible.

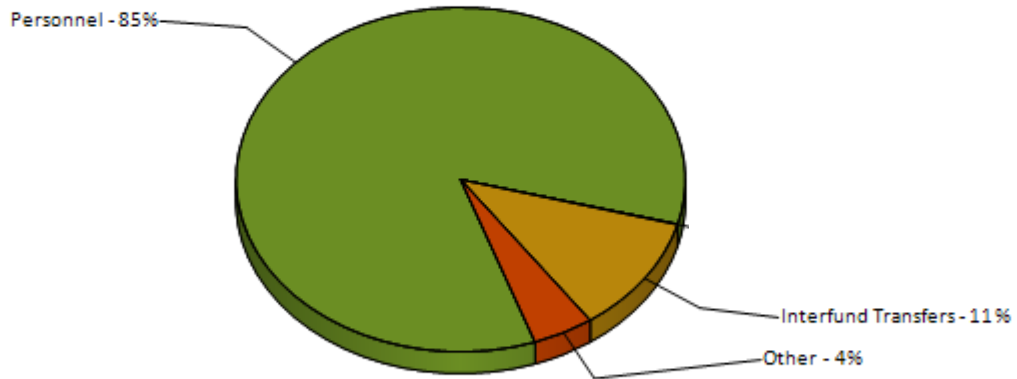
Seattle Police Department

Budget Snapshot

Department Support	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
General Fund Support	\$322,340,188	\$320,568,110	\$329,247,796	\$330,922,012
Total Operations	\$322,340,188	\$320,568,110	\$329,247,796	\$330,922,012
Total Appropriations	\$322,340,188	\$320,568,110	\$329,247,796	\$330,922,012
Full-time Equivalent Total*	2,033.35	2,095.35	2,146.35	2,154.85

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

2018 Proposed Budget - Expenditure by Category



Seattle Police Department

Budget Overview

The 2018 Proposed Budget for the Seattle Police Department (SPD) builds on the 2018 Endorsed Budget and the city's commitment to protecting public safety and enhancing community trust.

The 2018 Proposed Budget provide the funding or authorities necessary to accomplish the following tasks:

- enhance improvements at the 911 Communications Center by establishing more flexible civilian management;
- expand the Office of Police Accountability's community outreach capacity by hiring Complaint Navigators;
- launch a mediation pilot for Office of Police Accountability complaints;
- respond to the Surveillance Ordinance, passed by the City Council in July 2017, with additional staff;
- continue connecting individuals living unsheltered to services;
- fund recent changes at the state level to Law Enforcement Officers' and Firefighters' Retirement System;
- support the citywide Summit Re-implementation program and stabilization through June 2018; and
- annualize resources added via legislation in 2017.

Address Crime and Quality of Life Issues: Continue Accelerated Police Officer Hiring

In 2014, the City committed to adding 100 net new police officers to the SPD. In April 2017, the City doubled that commitment, revising the goal to 200 net new police officers above 2013 levels by early 2020. The need for more police officers is substantiated by both community concerns and a 2016 staffing study that recommended SPD hire additional officers. The 2017 Adopted and 2018 Endorsed Budget advanced the 200 officer goal, by adding resources to support 72 net new officers. The officers added in last year's budget process increased the size of the SPD sworn force to 1,493 officers. The new 200 officers, once fully trained and deployed, will represent a 15% increase in the size of the sworn force above 2013 levels.

The 2018 Proposed Budget maintains without modification the levels set forth in the 2017 Adopted and 2018 Endorsed Budget to advance the City's commitment to hire 200 net new officers.

Enhance the 911 Communications Center

The 911 Communications Center is the public's gateway to the City's emergency services. Residents of the city expect prompt, friendly and helpful service when they call 911 to report emergencies. In 2016, the City committed to adding 40 new staff at the 911 Communications Center to keep up with rising call volumes, meeting Washington state call volume standards, boosting workplace morale and enhancing the customers' experience. Elevated hiring began in 2016 and continued with the 2017 Adopted and 2018 Endorsed Budget, which added 22 new positions to the 911 Center. The department completed a total remodel of the 911 Communications Center in 2016. Improvements included, expanding capacity of the center, enhancing supervisory oversight, upgrading outdated technology and reconfiguring the technology to allow better integration of the police and fire 911 centers.

The 911 Center has also streamlined training and reduced mandatory overtime which in turn, increased morale at the center. At the same time, SPD has improved service levels. The department is required by the state to answer 90% of all 911 calls in 10 seconds or less 80% of the time, on an hourly basis. In recent years, SPD has met the state standard, but not exceeded it regularly. In the first half of 2017, the 911 Communications Center exceeded state standards, answering 90% of all 911 calls in 10 seconds or less more than 90% of the time.

The 2018 Proposed Budget builds on the commitments made in the 2017 Adopted and 2018 Endorsed Budget and provides additional funding for new civilian management and oversight of the 911 Communications Center in addition to modifying existing supervisor positions to allow for more flexible coverage. This initiative is consistent with a 2016 assessment of the 911 Communications Center that confirmed the need for increased management

Seattle Police Department

oversight.

Restore Public Trust: Achieving the goals of the Department of Justice (DOJ Settlement Agreement)

The department continued to advance towards compliance with the Department of Justice Settlement Agreement in 2017.

- In April 2017, the Seattle Police Monitor Merrick Bobb, found SPD in initial compliance with the use of force requirements of the DOJ Settlement Agreement following a comprehensive assessment from July 2014 through October 2016. The assessment concluded that that the finding "represents a singular and foundational milestone on SPD's road to full and effective compliance - and represents Seattle crystallizing into a model of policing for the 21st century."
- In June of 2017, The Seattle Police Monitor filed its tenth Systemic Assessment, evaluating SPD's progress in the area of stops, search, and seizure. The assessment found that SPD and its officers are complying with the legal and policy requirements related to stops, searches, and seizures and the department is in initial compliance with the "stops and detentions" paragraphs of the consent decree.

In May 2017, the Seattle City Council passed landmark legislation to strengthen civilian oversight of the SPD, revising the Seattle Municipal Code to include a new Chapter 3.29 ([Ordinance 125315](#)). The ordinance aims to institute a comprehensive and lasting police oversight system that ensures that police services are delivered to the people of Seattle in a manner that fully complies with the Constitution and laws of the United States and State of Washington, ensures public and officer safety, and promotes public confidence in SPD and the services that it delivers. In accordance with that legislation, the 2018 Proposed Budget funds new civilian Office of Police Accountability (OPA) staff who will serve as Complaint Navigators. The positions will serve as points of contact for community members to file complaints and obtain support related to the OPA process. These Complaint Navigators will provide new channels for filing complaints while improving OPA's understanding of community perspectives and additionally increase accessibility, transparency into and trust in OPA's complaint process. Provisions of the police accountability legislation ([Ordinance 125315](#)), and related new funding added in the 2018 Proposed Budget, are subject to review by US District Court.

In July 2017, the Council passed the Surveillance Ordinance ([Ordinance 125376](#)), revising Chapter 14.18 of the Seattle Municipal Code to govern the acquisition and use of surveillance equipment. The objectives of the changes to the municipal code include having a more publicly transparent and accountable process for the procurement and operation of surveillance technology. SPD has the most significant workload of all departments in terms of the number of technologies that will need to be submitted to the city's Chief Technology Officer for review, the number of Surveillance Impact Reports that will need to be completed and submitted to the Council for approval and the complexity of the Surveillance Impact Reports. The 2018 Proposed Budget adds two staff to support implementation of the new Surveillance Ordinance requirements.

Connecting Individuals Living Unsheltered with Services

To address wide-ranging concerns from business districts, neighborhoods, human service advocates and individuals experiencing homelessness, the City created a taskforce in late 2016 to evaluate the City's response to the growing number of individuals living unsheltered. The taskforce made a series of recommendations to modify how City departments engage with individuals living in encampments. In February of 2017, the City opened the Emergency Operations Center and convened City departments to speed implementation of these recommendations and create a focused, integrated and sustainable Citywide response. The 2018 Proposed Budget provides funding for this response in several City departments, focused around three key areas:

1. creating safer places for individuals living unsheltered;
2. connecting individuals living unsheltered with services; and
3. reducing the impact of living unsheltered on individuals and the surrounding environment.

The taskforce recommended the City increase its outreach efforts. To inform development of an expanded

Seattle Police Department

response, staff held discussions with seven jurisdictions regarded as making substantial progress in the areas of homelessness, supportive housing, behavioral health, and low-level, persistent offending. Every jurisdiction had a version of a police department homeless outreach team. In most jurisdictions, the team was multidisciplinary. The most successful teams had special training in working with people experiencing homelessness, possessed deep knowledge of the homeless service system and could access shelter or interim housing options in real time.

Informed by this research, and in conjunction with the implementation of Pathways Home, the Mayor’s Office, HSD, Seattle Police Department (SPD) and Department of Finance and Administrative Services (FAS) devised a plan to reimagine the City’s outreach to unsheltered individuals. The result is the Navigation Team, a multidisciplinary team designed to bring citywide outreach engagement under a single, unified organizational structure. The team is comprised of specially-trained SPD officers, a supervising police sergeant, an outreach coordinator, an encampment response manager, field coordinators, and contracted outreach providers. These groups work together in the field as a team to offer individualized services and alternative living spaces to individuals experiencing homelessness.

The 2018 Proposed Budget provides funding for overtime and operational expenses related to SPD’s Navigation Team. Additions in the 2018 Proposed Budget related to this citywide response, regardless of department, are part of a single program. For additional information, see the 2018 Proposed Budget Executive Summary in the Introduction section of the budget.

Incremental Budget Changes

Seattle Police Department

	2018	
	Budget	FTE
Total 2018 Endorsed Budget	\$ 329,247,796	2,146.35
Baseline Changes		
Technical Change	\$ 0	1.00
Citywide Adjustments for Standard Cost Changes	-\$ 1,497,265	0.00
Supplemental Budget Changes	\$ 1,623,197	2.50
Proposed Changes		
Improve Management of the 911 Communications Center	\$ 230,255	0.00
Support implementation of Surveillance Ordinance	\$ 252,091	1.00
Expand OPA outreach capacity through Complaint Navigators	\$ 416,575	3.00
Sustain Integrated Citywide Response for Individuals Living Unsheltered	\$ 182,400	0.00
Increase temporary support for Summit Re-Implementation Project	\$ 127,614	0.00
Add administrative support for Force Review Unit	\$ 0	1.00
Changes to LEOFF 2 Pension Program	\$ 339,349	0.00
Total Incremental Changes	\$ 1,674,216	8.50
2018 Proposed Budget	\$ 330,922,012	2,154.85

Seattle Police Department

Descriptions of Incremental Budget Changes

Baseline Changes

Technical Change - 1.00 FTE

This item updates the 2018 Proposed Budget to reflect a full-time employee (FTE) that was added via a supplemental budget ordinance in 2016 but was not captured in the 2017 Adopted and 2018 Endorsed Budget narrative.

Citywide Adjustments for Standard Cost Changes - (\$1,497,265)

Citywide technical adjustments made in the baseline phase reflect changes to internal services costs, health care, and industrial insurance charges for the department. These adjustments reflect initial assumptions about these costs and inflators early in the budget process.

Supplemental Budget Changes - \$1,623,197/2.50 FTE

This adjustment reflects changes made through supplemental budget legislation since the last adopted budget. Supplemental budget legislation is developed by the Executive and adopted by the City Council four times a year to provide for corrections to the adopted budget, unforeseen changes in circumstance, new funding opportunities or new policy priorities. These changes may include additions or reductions in appropriations and FTEs. Included in this adjustment are annualized costs for one Equipment and Facilities Coordinator (Stationmaster) for the South Precinct, Crime Prevention Coordinator vehicles, a technical change related to Seattle IT consolidation and the addition of 2.0 FTE to support the Body-Worn Video program.

Proposed Changes

Improve Management of the 911 Communications Center - \$230,255

This item builds on previous commitments to the 911 Communications Center made in the 2017 Adopted and 2018 Endorsed Budget and provides incremental funding for three new civilian management positions. Position authority for the new positions will be added through a reallocation of positions added in the last year's adopted budget process. Additionally, this adjustment provides funding to reclassify seven existing supervisor positions from Chief Dispatchers to Dispatch Supervisors. The reallocation will allow supervisors to play a more active management role and provide more flexible supervisory coverage. These changes are consistent with a 2016 assessment of the 911 communications center that confirmed the need for increased management oversight.

Support implementation of Surveillance Ordinance - \$252,091/1.00 FTE

This adjustment funds two positions to support the work required under the Surveillance Ordinance ([Ordinance 125376](#)) passed by the council in July 2017. One position is a full-time Administrative Staff Analyst and the other position is a term-limited Senior Management Systems Analyst. While many departments are potentially impacted by the new reporting and approval requirements, SPD has the most significant workload in terms of the number of technologies that will need to be submitted to the Chief Technology Officer for consideration, the number of Surveillance Impact Reports (SIRs) that will need to be completed and submitted to the Council for approval, the complexity of the SIRs and the public scrutiny on the department.

Seattle Police Department

Expand OPA outreach capacity through Complaint Navigators - \$416,575/3.00 FTE

In May 2017, the Council passed landmark legislation to strength civilian oversight of SPD, revising the Seattle Municipal Code to include a new Chapter 3.29 ([Ordinance 125315](#)). The legislation specifically requests that OPA have Complaint Navigators who will provide new and additional channels for filing complaints. This adjustment funds three OPA Complaint Navigator positions. That will increase accessibility, transparency into and trust in OPA's complaint process. The positions will serve as points of contact for community members to file complaints and obtain support in how to address issues they have with SPD officers.

Sustain Integrated Citywide Response for Individuals Living Unsheltered - \$182,400

To address wide-ranging concerns from business districts, neighborhoods, human service advocates and individuals experiencing homelessness, the City created a taskforce in late 2016 to evaluate the City's response to the growing number of individuals living unsheltered. The taskforce made a series of recommendations to modify how City departments engage with individuals living in encampments. In February of 2017, the City opened the Emergency Operations Center and convened City departments to speed implementation of these recommendations and create a focused, integrated and sustainable Citywide response.

The 2018 Proposed Budget provides funding for this response in several City departments, focused around three key areas:

1. creating safer places for individuals living unsheltered;
2. connecting individuals living unsheltered with services; and
3. reducing the impact of living unsheltered on individuals and the surrounding environment.

This adjustment funds overtime and operational costs for SPD's Navigation Team, established as a part of the City's coordinated approach to connecting individuals living unsheltered with services. The Navigation Team is a multidisciplinary team designed to bring citywide outreach engagement under a single, unified organizational structure. The team is comprised of specially-trained SPD officers, a supervising police sergeant, an outreach coordinator, an encampment response manager, field coordinators, and contracted outreach providers. These groups work together in the field as a single team to offer individualized services and alternative living spaces to individuals experiencing homelessness.

Additions in the 2018 Proposed Budget related to this citywide response, regardless of department, are part of a single program. For additional information, see the 2018 Proposed Budget Executive Summary in the Introduction section of the budget.

Increase temporary support for Summit Re-Implementation Project - \$127,614

This adjustment provides one-time funding for two term-limited employees to support the Citywide Summit Re-Implementation project in the first half of 2018 through the stabilization period. The adjustment funds one Accounting Technician III and one Accountant through June of 2018. These resources will ensure that payroll processing and accounts receivable and payable tasks are completed within required timelines.

Add administrative support for Force Review Unit - 1.00 FTE

This adjustment adds position authority for 1.0 Admin Specialist II to support the Force Review Unit and Force Review Board. The position is responsible for verifying that precinct investigations have been completed and are ready for review within the Force Review Unit, interacting with the Monitoring Team and OPA to provide data and information, performing quality assurance and other administrative tasks. This position will be funded using existing resources.

Seattle Police Department

Changes to LEOFF 2 Pension Program - \$339,349

This adjustment provides funding to SPD for changes made to the Law Enforcement Officers' and Fire Fighters' Retirement System (LEOFF 2). Effective July 1, 2017, the State of Washington reduced its contribution to the LEOFF 2 pension program from 5.43% to 5.23%. As a result of this change, the City must contribute more to the LEOFF 2 pension program for SPD officers.

Seattle Police Department

Expenditure Overview

Appropriations	Summit Code	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Administrative Operations Budget Control Level	P8000	45,770,286	38,263,520	39,131,074	40,486,269
Chief of Police Budget Control Level	P1000	11,807,945	9,961,761	10,082,880	10,357,850
Chief Operating Officer Budget Control Level	P1600	27,830,962	28,072,862	27,970,738	28,083,579
Compliance and Professional Standards Bureau Budget Control Level	P2000	17,859,265	18,346,293	18,622,891	18,627,533
Criminal Investigations Administration Budget Control Level	P7000	11,262,723	11,664,927	11,973,918	11,966,849
East Precinct Budget Control Level	P6600	23,726,644	23,547,142	23,922,264	23,814,024
Narcotics Investigations Budget Control Level	P7700	4,927,770	5,202,343	5,251,337	5,240,330
North Precinct Patrol Budget Control Level	P6200	32,762,935	32,770,787	33,252,532	33,119,811
Office of Professional Accountability Budget Control Level	P1300	3,365,924	3,139,466	3,183,066	3,599,865
Patrol Operations Budget Control Level	P1800	3,113,259	9,261,391	13,460,456	13,383,831
South Precinct Patrol Budget Control Level	P6500	17,620,759	17,924,764	18,191,760	18,234,636
Southwest Precinct Patrol Budget Control Level	P6700	16,004,765	15,824,273	16,007,706	15,920,824
Special Investigations Budget Control Level	P7800	8,815,505	9,177,298	9,277,999	9,260,741
Special Operations Budget Control Level	P3400	51,447,724	52,439,317	53,289,487	53,302,323
Special Victims Budget Control Level	P7900	6,913,864	6,772,322	6,864,536	6,865,966
Violent Crimes Investigations Budget Control Level	P7100	8,123,308	8,179,502	8,260,102	8,253,580
West Precinct Patrol Budget Control Level	P6100	30,986,550	30,020,142	30,505,050	30,404,001
Department Total		322,340,188	320,568,110	329,247,796	330,922,012
Department Full-time Equivalent Total*		2,033.35	2,095.35	2,146.35	2,154.85

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

Seattle Police Department

Appropriations By Budget Control Level (BCL) and Program

Administrative Operations Budget Control Level

The purpose of the Administrative Operations Budget Control Level is to provide operational support, policy direction, and guidance to the employees and programs in the Department. The Administrative Operations Budget Control Level includes the Communications, Information Technology, and Human Resources Programs; some of which were separate Budget Control Levels in prior budgets. This BCL is functionally organized under the Chief Operating Officer BCL.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Administrative Operations	45,770,286	38,263,520	39,131,074	40,486,269
Total	45,770,286	38,263,520	39,131,074	40,486,269
Full-time Equivalents Total*	233.25	287.25	337.25	339.25

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

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, with the goal that the department provides the City with professional, dependable, and respectful public safety services.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Chief of Police	11,807,945	9,961,761	10,082,880	10,357,850
Total	11,807,945	9,961,761	10,082,880	10,357,850
Full-time Equivalents Total*	53.50	57.50	58.50	60.50

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

Seattle Police Department

Chief Operating Officer Budget Control Level

The purpose of the Chief Operating Officer Budget Control Level (BCL) is to oversee the organizational support as well as financial and policy functions of the Department. It includes the Finance & Planning unit, Grants & Contract unit, and Administrative Services Program, which includes the Records and Files, Data Center, Fleets, and Public Request Programs. The Chief Operating Officer will also oversee the Administrative Operations program and Compliance and Professional Standards Bureau. These units include the Strategic Deployment unit, Communication Program, Information Technology Program, Human Resources Program, Audit and Policy units, Training and Education Program, the Force Investigation Team, and the Use of Force Review Board.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Chief Operating Officer	27,830,962	28,072,862	27,970,738	28,083,579
Total	27,830,962	28,072,862	27,970,738	28,083,579
Full-time Equivalents Total*	113.10	113.10	113.10	113.10

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

Compliance and Professional Standards Bureau Budget Control Level

The purpose of the Compliance and Professional Standards Bureau Budget Control Level is to develop Police Department policies and procedures, undertake departmental program audits, research police issues, implement strategic initiatives, develop training programs and train sworn staff in Advanced Training topics. It also houses the Department's Force Investigation Team and Use of Force Review Board that investigate and review use of force issues. While under the court mandated Settlement Agreement and Memorandum of Understanding with the United States Department of Justice (DOJ), the Bureau is responsible for communication with the Monitoring Team and the Law Department concerning Department compliance with the expectations and requirements of the agreements. After the DOJ requirements are completed, the purpose of this BCL will continue to include oversight of development of related rules and monitoring their implementation.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Compliance and Professional Standards Bureau	17,859,265	18,346,293	18,622,891	18,627,533
Total	17,859,265	18,346,293	18,622,891	18,627,533
Full-time Equivalents Total*	106.00	106.00	106.00	107.00

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

Seattle Police Department

Criminal Investigations Administration Budget Control Level

The purpose of the Criminal Investigations Administration Budget Control Level is to direct and support the work of employees in the Criminal Investigations Bureau by providing oversight and policy guidance, and technical support. The program includes the Internet Crimes against Children, Human Trafficking section, and the Crime Gun Initiative analyst.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Criminal Investigations Administration	11,262,723	11,664,927	11,973,918	11,966,849
Total	11,262,723	11,664,927	11,973,918	11,966,849
Full-time Equivalents Total*	93.50	93.50	93.50	94.00

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

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, to promote safety in their homes, schools, businesses, and the community at large.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
East Precinct	23,726,644	23,547,142	23,922,264	23,814,024
Total	23,726,644	23,547,142	23,922,264	23,814,024
Full-time Equivalents Total*	178.00	178.00	178.00	178.00

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

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.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Narcotics Investigations	4,927,770	5,202,343	5,251,337	5,240,330
Total	4,927,770	5,202,343	5,251,337	5,240,330
Full-time Equivalents Total*	32.00	32.00	32.00	32.00

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

Seattle Police Department

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, to promote safety in their homes, schools, businesses, and the community at large.

Program Expenditures	2016	2017	2018	2018
	Actuals	Adopted	Endorsed	Proposed
North Precinct Patrol	32,762,935	32,770,787	33,252,532	33,119,811
Total	32,762,935	32,770,787	33,252,532	33,119,811
Full-time Equivalents Total*	245.00	245.00	245.00	245.00

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

Office of Professional Accountability Budget Control Level

The purpose of the Office of Police Accountability Budget Control Level is to investigate and process complaints involving officers in the Seattle Police Department.

Program Expenditures	2016	2017	2018	2018
	Actuals	Adopted	Endorsed	Proposed
Office of Professional Accountability	3,365,924	3,139,466	3,183,066	3,599,865
Total	3,365,924	3,139,466	3,183,066	3,599,865
Full-time Equivalents Total*	16.00	18.00	18.00	21.00

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

Patrol Operations Budget Control Level

The purpose of the Patrol Operations Budget Control Level is to oversee the operational functions of the Department with the goal that the public receives public safety services that are dependable, professional, and respectful. The Patrol Operations Budget Control Level oversees the five Precincts and associated personnel.

Program Expenditures	2016	2017	2018	2018
	Actuals	Adopted	Endorsed	Proposed
Patrol Operations	3,113,259	9,261,391	13,460,456	13,383,831
Total	3,113,259	9,261,391	13,460,456	13,383,831
Full-time Equivalents Total*	29.00	30.00	30.00	29.00

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

Seattle Police Department

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.

Program Expenditures	2016	2017	2018	2018
	Actuals	Adopted	Endorsed	Proposed
South Precinct Patrol	17,620,759	17,924,764	18,191,760	18,234,636
Total	17,620,759	17,924,764	18,191,760	18,234,636
Full-time Equivalents Total*	132.00	132.00	132.00	133.00

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

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, to promote safety in their homes, schools, businesses, and the community at large.

Program Expenditures	2016	2017	2018	2018
	Actuals	Adopted	Endorsed	Proposed
Southwest Precinct Patrol	16,004,765	15,824,273	16,007,706	15,920,824
Total	16,004,765	15,824,273	16,007,706	15,920,824
Full-time Equivalents Total*	124.00	124.00	124.00	124.00

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

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 promote public safety.

Program Expenditures	2016	2017	2018	2018
	Actuals	Adopted	Endorsed	Proposed
Special Investigations	8,815,505	9,177,298	9,277,999	9,260,741
Total	8,815,505	9,177,298	9,277,999	9,260,741
Full-time Equivalents Total*	65.00	65.00	65.00	65.00

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

Seattle Police Department

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 marine-related support to monitor and protect critical infrastructure to protect lives and property, aid the work of uniformed officers and detectives, and promote the safety of the public.

Program Expenditures	2016	2017	2018	2018
	Actuals	Adopted	Endorsed	Proposed
Special Operations	51,447,724	52,439,317	53,289,487	53,302,323
Total	51,447,724	52,439,317	53,289,487	53,302,323
Full-time Equivalents Total*	281.00	282.00	282.00	282.00

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

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 promoting public safety.

Program Expenditures	2016	2017	2018	2018
	Actuals	Adopted	Endorsed	Proposed
Special Victims	6,913,864	6,772,322	6,864,536	6,865,966
Total	6,913,864	6,772,322	6,864,536	6,865,966
Full-time Equivalents Total*	52.00	52.00	52.00	52.00

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

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, help prevent further harm to victims, and promote public safety.

Program Expenditures	2016	2017	2018	2018
	Actuals	Adopted	Endorsed	Proposed
Violent Crimes Investigations	8,123,308	8,179,502	8,260,102	8,253,580
Total	8,123,308	8,179,502	8,260,102	8,253,580
Full-time Equivalents Total*	52.00	52.00	52.00	52.00

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

Seattle Police Department

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, to promote safety in their homes, schools, businesses, and the community at large.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
West Precinct Patrol	30,986,550	30,020,142	30,505,050	30,404,001
Total	30,986,550	30,020,142	30,505,050	30,404,001
Full-time Equivalent Total*	228.00	228.00	228.00	228.00

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

Police Relief and Pension

Dan Oliver, Executive Secretary

(206) 386-1286

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

Department Overview

The Police Relief and Pension Fund (PPEN) provides pension and medical benefit services to eligible active and retired police officers and their beneficiaries. While the City pays into benefit funds for all Seattle police officers, PPEN covers only police officers who were hired before October 1, 1977 and therefore is a closed plan. Retiree benefits for police officers hired more recently are primarily covered through a separate state-managed plan.

The management of police benefits funds transitioned in the 1970s from local to state control. Prior to that time, the City paid into PPEN to provide for police officer retiree benefits. In March 1970, the State of Washington took over the provision of certain police pensions through Revised Code of Washington (RCW) Section 41.26, the Law Enforcement Officers and Fire Fighters (LEOFF) Plan 1. Seattle police officers hired between March 1970 and October 1977 enrolled in LEOFF 1, but also received additional benefit coverage through PPEN. As a result, this group of police officers receives retiree benefits primarily from the state's LEOFF 1 plan, but also any earned increment from the City's PPEN that exceeds LEOFF 1 coverage. Both PPEN and LEOFF 1 closed to new enrollees in October 1977. Police officers hired after that date enroll in the state's LEOFF 2 plan and do not receive benefits from PPEN.

The Seattle Police Pension Board is a seven-member quasi-judicial body chaired by the Mayor or his/her designee, which formulates policy, rules on disability applications, and provides oversight of the Police Pension Fund. Three staff employees of the board handle all of its operational functions. Staff positions associated with Police Relief and Pension are reflected in the City's position list.

The projections of annual pension and medical benefits, which comprise about 97% of the total annual PPEN budget, are based on the forecasts of an independent actuary. The City's General Fund provides funding for nearly all of PPEN's annual budget that supports the Police Relief and Pension Fund obligations. The Police Pension Fund also has a statutory funding source from police auction proceeds, which contribute a small amount towards the annual budget.

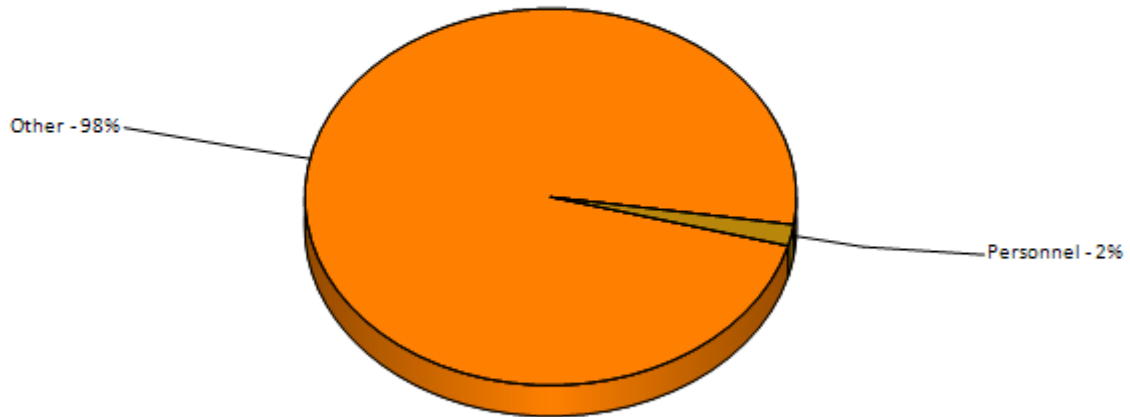
Budget Snapshot

Department Support	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
General Fund Support	\$19,982,656	\$21,313,000	\$21,770,367	\$21,771,140
Other Funding - Operating	\$582,972	\$759,712	\$774,288	\$774,288
Total Operations	\$20,565,628	\$22,072,712	\$22,544,655	\$22,545,428
Total Appropriations	\$20,565,628	\$22,072,712	\$22,544,655	\$22,545,428
Full-time Equivalent Total*	3.00	3.00	3.00	3.00

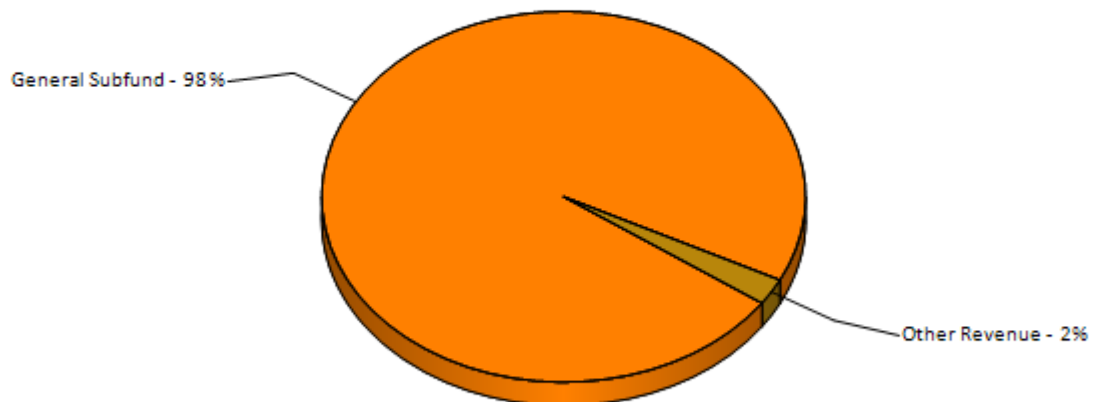
* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

Police Relief and Pension

2018 Proposed Budget - Expenditure by Category



2018 Proposed Budget - Revenue by Category



Police Relief and Pension

Budget Overview

The Police Relief and Pension Fund (PPEN) receives nearly all of its revenue from the City's General Fund. PPEN's expenditures pay legally mandated pension and medical benefits, including long-term care, to eligible retired police officers and qualified beneficiaries. The total pension benefits for PPEN members are increased annually through locally negotiated cost of living adjustments (COLA) and local inflation. These increases are then offset by the benefits paid by the state's LEOFF 1 pension plan which has its own annual growth rate.

Most of PPEN's retirees are represented by either the Seattle Police Management Association (SPMA) or the Seattle Police Officer's Guild (SPOG). Their total pension benefits are increased annually with a COLA equal to the negotiated annual wage increases (AWI) for active union members at the Seattle Police Department.

The collective bargaining agreements expired December 31, 2013 for SPMA and December 31, 2014 for SPOG, and new agreements have not been reached yet. Since the COLA rates are currently unknown, the 2018 Proposed Budget does not assume COLA increases on the total pension benefits for PPEN members. Therefore, there are no changes in costs for PPEN compared to the 2018 Endorsed Budget. Once bargaining agreements are reached, the impacts will be incorporated into PPEN's budget to cover retroactive pension benefit costs due from January 1, 2014 for SPMA and January 1, 2015 for SPOG.

Retiree medical and long-term care costs remain unchanged from the 2018 Endorsed Budget. The actuarial report anticipates medical and long-term care costs will increase over the next 15 to 20 years due to PPEN's aging membership, and annual trend rates for medical and long-term care costs.

Incremental Budget Changes

Police Relief and Pension

	2018	
	Budget	FTE
Total 2018 Endorsed Budget	\$ 22,544,655	3.00
Baseline Changes		
Citywide Adjustments for Standard Cost Changes	\$ 773	0.00
Total Incremental Changes	\$ 773	0.00
2018 Proposed Budget	\$ 22,545,428	3.00

Police Relief and Pension

Descriptions of Incremental Budget Changes

Baseline Changes

Citywide Adjustments for Standard Cost Changes - \$773

Citywide technical adjustments made in the baseline phase reflect changes to internal services costs, health care, and industrial insurance charges for the department. These adjustments reflect initial assumptions about these costs and inflators early in the budget process.

Expenditure Overview

Appropriations	Summit Code	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Police Relief and Pension Budget Control					
Administration		563,444	634,712	646,655	647,428
Death Benefits		11,000	18,000	18,000	18,000
Medical Benefits		13,503,293	14,820,000	15,380,000	15,380,000
Pension Benefits		6,487,891	6,600,000	6,500,000	6,500,000
Total	RP604	20,565,628	22,072,712	22,544,655	22,545,428
Department Total		20,565,628	22,072,712	22,544,655	22,545,428

Department Full-time Equivalents Total*	3.00	3.00	3.00	3.00
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* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

Revenue Overview

2018 Estimated Revenues

Summit Code	Source	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
	General Subfund	21,330,843	21,313,000	21,770,367	21,771,140
	Total General Subfund	21,330,843	21,313,000	21,770,367	21,771,140
	Medicare Rx Subsidy	500,206	400,000	400,000	400,000
	Police Auction Proceeds	82,766	117,000	117,000	117,000
	Total Other Revenue	582,972	517,000	517,000	517,000
	Total Revenues	21,913,815	21,830,000	22,287,367	22,288,140
	Use of (Contribution to) Fund Balance	-1,348,187	242,712	257,288	257,288
	Total Use of (Contribution to) Fund Balance	-1,348,187	242,712	257,288	257,288
	Total Resources	20,565,628	22,072,712	22,544,655	22,545,428

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.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Administration	563,444	634,712	646,655	647,428
Death Benefits	11,000	18,000	18,000	18,000
Medical Benefits	13,503,293	14,820,000	15,380,000	15,380,000
Pension Benefits	6,487,891	6,600,000	6,500,000	6,500,000
Total	20,565,628	22,072,712	22,544,655	22,545,428
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 Human Resources Director actions outside of the budget process may not be detailed here.

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.

	2016	2017	2018	2018
Expenditures/FTE	Actuals	Adopted	Endorsed	Proposed
Administration	563,444	634,712	646,655	647,428
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.

	2016	2017	2018	2018
Expenditures	Actuals	Adopted	Endorsed	Proposed
Death Benefits	11,000	18,000	18,000	18,000

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.

	2016	2017	2018	2018
Expenditures	Actuals	Adopted	Endorsed	Proposed
Medical Benefits	13,503,293	14,820,000	15,380,000	15,380,000

Police Relief and Pension

Pension Benefits Program

The purpose of the Pension Benefits Program is to provide pension benefits for eligible retired members of the Seattle Police Department.

Expenditures	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Pension Benefits	6,487,891	6,600,000	6,500,000	6,500,000

Police Pension Fund Table

Police Relief and Pension Fund (60400)

	2016 Actuals	2017 Adopted	2017 Revised	2018 Endorsed	2018 Proposed
Beginning Fund Balance	4,671,902	5,171,902	6,020,089	4,929,190	5,777,377
Accounting and Technical Adjustments	0	0	0	0	0
Plus: Actual and Estimated Revenues	21,913,815	21,830,000	21,830,000	22,287,367	22,288,140
Less: Actual and Budgeted Expenditures	20,565,628	22,072,712	22,072,712	22,544,655	22,545,428
Ending Fund Balance	6,020,089	4,929,190	5,777,377	4,671,902	5,520,089
Contingency Reserve	500,000	500,000	500,000	500,000	500,000
Rate Stabilization Reserve	5,520,089	4,429,190	5,277,377	4,171,902	5,020,089
Total Reserves	6,020,089	4,929,190	5,777,377	4,671,902	5,520,089
Ending Unreserved Fund Balance	0	0	0	0	0

Seattle City Light

Larry Weis, General Manager & CEO

(206) 684-3500

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

Department Overview

Seattle City Light was created by the residents of Seattle in 1902 to provide affordable, reliable, and environmentally sound electric power to the City of Seattle and neighboring suburbs. Owned by the community it serves, City Light is a nationally recognized leader in energy efficiency, renewable resource development, and environmental stewardship.

City Light provides electric power to approximately 447,000 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 hydroelectric facilities that it owns directly 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.

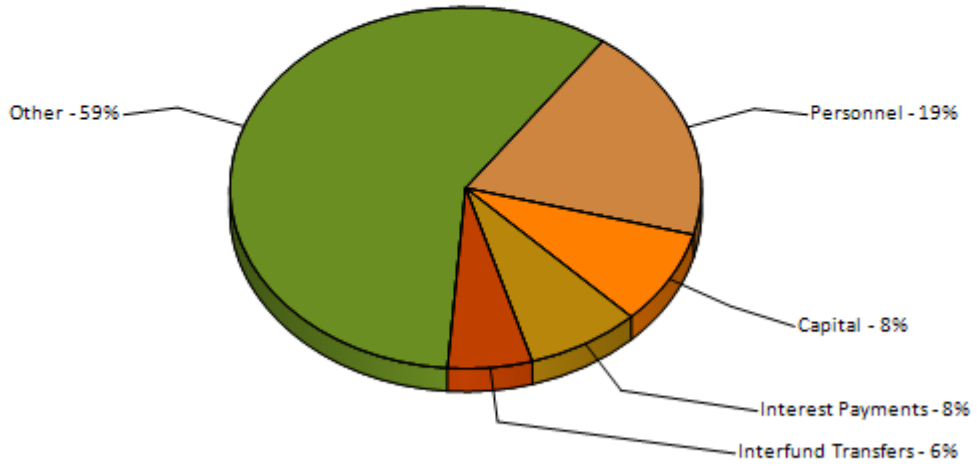
Budget Snapshot

Department Support	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Other Funding - Operating	\$1,043,220,482	\$1,051,620,028	\$1,102,879,122	\$1,107,321,972
Total Operations	\$1,043,220,482	\$1,051,620,028	\$1,102,879,122	\$1,107,321,972
Other funding - Capital	\$444,068,094	\$315,249,998	\$296,915,524	\$302,189,018
Total Appropriations	\$1,487,288,576	\$1,366,870,026	\$1,399,794,646	\$1,409,510,990
Full-time Equivalent Total*	1,868.30	1,779.80	1,794.80	1,816.80

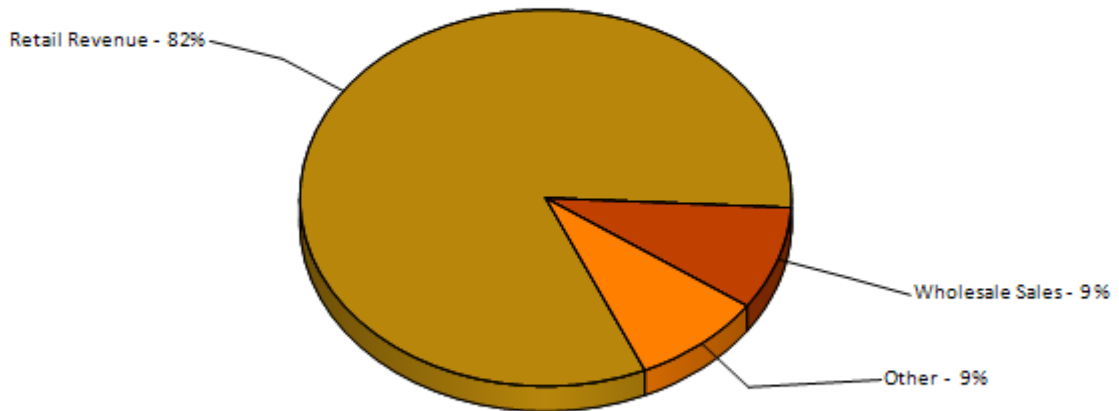
* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

Seattle City Light

2018 Proposed Budget - Expenditure by Category



2018 Proposed Budget - Revenue by Category



Seattle City Light

Budget Overview

The 2018 Proposed Budget reflects the priorities outlined in the department's 2017-2022 Strategic Plan, and it follows the plan's rate path which increases rates 5.6% in 2018. The proposed changes for 2018 do not vary significantly from the 2018 Endorsed Budget. Adjustments to the endorsed budget address developments in several areas of City Light operations. These include Race and Social Justice Initiative (RSJI) program enhancements; customer-driven capital project changes; Denny substation and network position adds for ongoing work; and position adds for other expanding bodies of work.

In 2018, the department will also submit a new 2019-2024 Strategic Plan. Accompanying the strategic plan will be a two-year rate ordinance that will utilize an updated load forecast methodology. Recent forecasts have not fully captured the impacts of technology advances like LED lighting, or changes in regional weather patterns. Incorporating more breadth and granularity into the analysis that informs the forecast will help City Light set rates as accurately as possible. The new forecast will utilize more advanced weather modeling, and will include a more thorough analysis of customer energy needs.

In the proposed budget, City Light reinforces its commitment to racial equity and diversity by creating a new Division of Diversity, Equity, and Inclusion, and by adding four positions to further the goals outlined in the City's [Race and Social Justice Initiative](#) (RSJI), the City's commitment to eliminate racial disparities and achieve racial equity in Seattle. The new division will focus on coordinating RSJI activities throughout the department and strengthening City Light employee's and management's commitment to RSJI, with the goal of advancing diversity and equity for City Light employees and customers.

The department's capital program budget is approximately \$390 million in 2018. Two noteworthy, large-scale projects will achieve significant milestones in 2018:

- Denny Substation construction began in 2016 and visitors to the site can now see the structure begin to take shape. This new state-of-the-art substation is City Light's first new substation in a generation, and it will provide the necessary capacity to meet load growth in the South Lake Union region. The substation is expected to be energized and fully operational in the summer of 2018.
- The Advanced Metering Initiative (AMI) project began the lengthy process of installing new meters in July. Meter installations are expected to be completed by the end of 2018. The benefits of the project are that customers will be able to make better-informed choices around how they use energy; City Light will provide better customer service through faster outage detection and restoration; billing will be more accurate, as the number of estimated bills will be greatly reduced; and approximately 72 tons of vehicle carbon emissions per year will be reduced, as meter readers no longer need to travel to customer dwellings or facilities.

For more detailed information on the capital program, please see the 2018-2023 Proposed Capital Improvement Program (CIP) Budget book.

To support the capital program and other eligible City Light costs, the 2018 Proposed Budget anticipates a 2018 bond issue of approximately \$275 million.

Seattle City Light

Incremental Budget Changes

Seattle City Light

	2018	
	Budget	FTE
Total 2018 Endorsed Budget	\$ 1,399,794,646	1,794.80
Baseline Changes		
Citywide Adjustments for Standard Cost Changes	-\$ 737,086	0.00
Technical Adjustment - Align Budget and FTEs with 2017 Reorganization	\$ 0	0.00
Proposed Changes		
Race and Social Justice / Equity Position Adds	\$ 195,346	4.00
Customer-Driven Capital Project Changes	\$ 12,000,000	3.00
Denny Substation and Network Position Adds	\$ 1,616,747	11.00
Position Adds for Expanding Bodies of Work	\$ 235,561	4.00
Technical Adjustments	\$ 3,653,681	0.00
Annual Capital Program Spending Adjustments	-\$ 7,247,905	0.00
Total Incremental Changes	\$ 9,716,344	22.00
2018 Proposed Budget	\$ 1,409,510,990	1,816.80

Descriptions of Incremental Budget Changes

Baseline Changes

Citywide Adjustments for Standard Cost Changes - (\$737,086)

Citywide technical adjustments made in the baseline phase reflect changes to internal services costs, health care, and industrial insurance charges for the department. These adjustments reflect initial assumptions about these costs and inflators early in the budget process.

Technical Adjustment - Align Budget and FTEs with 2017 Reorganization

This net-zero adjustment transfers appropriation authority and FTEs between BCLs to align org units with the new, reorganized department structure that was put in place in the 2017 Adopted and 2018 Endorsed Budget. The Fleets and Shops functions are moved from the Power Management and Strategic Planning BCL to the Transmission and Distribution BCL, and the Solar Incentives Payment program is moved from the Taxes BCL to the Power Management & Strategic Planning O&M BCL.

Seattle City Light

Proposed Changes

Race and Social Justice / Equity Position Adds - \$195,346/4.00 FTE

City Light is adding resources to further the goals outlined in the City's Race and Social Justice Initiative (RSJI), the City's commitment to eliminate racial disparities and achieve racial equity in Seattle. An evaluation of the department's RSJI programs and a comparison to other utilities, including Seattle Public Utilities and the Los Angeles Department of Water and Power, highlighted opportunities to make City Light's equity programs more robust. The department currently has two full-time and two part-time employees working on equity-related issues. The proposed budget converts the two part-time staff members to full time, and adds two new positions.

The two conversions are for an environmental equity advisor that works with project managers, interdepartmental teams, and community representatives to advance equity and environmental justice with City Light projects, programs, policies and services; and a performance analyst that works on WMBE, Benchmarking and Best Practices, and Business Case Process issues.

The two new positions are a director of equity integration and a succession planner. In reinforcing its commitment to racial equity and diversity, City Light is creating a new Division of Diversity, Equity, and Inclusion. Both new positions will be located here. The director will oversee and coordinate RSJI activities and strengthen City Light employee's and management's commitment to RSJI, with the goal of advancing diversity and equity for City Light employees and customers.

The succession and equity planner will focus internally, documenting impending retirements across the utility. Fifty percent of City Light's workforce is eligible for retirement in the next five years. The succession planner will use a racial equity lens to develop and implement a workforce succession plan, and will mentor and train existing City employees to fill the vacant positions or follow pathways into more senior positions.

Customer-Driven Capital Project Changes - \$12,000,000/3.00 FTE

Instead of installing additional poles in the public right-of-way, telecommunications companies may install their cables and other equipment on City Light poles. In accordance with Federal, State and local rules, City Light allows these attachments, provided there is enough room on the poles, and that the telecommunications companies pay 100% of the cost to make the attachment, plus annual rental fees. Requests for these pole attachments began steadily increasing in 2016. After averaging attachments to 5,000 poles for several years, 2016 attachments increased to 10,000 poles, and the forecast for 2017 and 2018 is for 15,000 poles. In the first and second quarter supplemental budgets of 2017, 7.0 new FTEs and \$10 million were added to the budget to address the increase. The proposed budget provides ongoing funding for this work. With this funding, City Light expects to reduce the backlog of applications and to bring the "application to permit" process time, which was 250 days at the beginning of 2017, down to the FCC-recommended 120 days.

Requests for customer electrical service connections have also been trending upward for five years now and are currently twice the level they were in 2012. Staffing levels, however, have remained the same, causing delays to customer-driven projects. With the increase in requests, City Light has been unable to achieve their goal of sending the service letter, which provides instructions and standards for customer equipment installations required for the service connection, in 30 days. The proposed budget adds two Electrical Engineer Associates and one Civil Engineering Specialist Associate to the existing electrical service connection staff of 22 FTEs to reduce the backlog of connection requests and to achieve the goal of customers receiving the service letter 30 days after their initial construction meeting with City Light staff.

Denny Substation and Network Position Adds - \$1,616,747/11.00 FTE

Two projects related to the Denny Substation require new staffing to service and maintain the new equipment

Seattle City Light

once it is operational. The first is the new electrical substation itself. The new Denny Substation is larger than typical City Light substations and utilizes state-of-the-art equipment. City Light currently has approximately 63 employees operating and maintaining their 15 existing substations. These staffing levels are not sufficient to support the addition of the Denny Substation. The proposed budget adds three Electrician Constructors and one Electrician Crew Chief to the substation team to accommodate the additional workload. The substation will be fully energized and operational in the summer of 2018.

With the addition of the Denny Substation serving South Lake Union and the surrounding area, the network service territory will grow by 35%. This growth includes seven to eight additional miles of duct bank, 400 more network transformers and protectors, and over 150 new service vaults feeding the buildings of South Lake Union and the Denny Triangle. Approximately 65 FTEs currently service and maintain the network service territory. The proposed budget adds five Cable Splicers and two Cable Splicer Crew Chiefs. These additional FTEs are critical for City Light to maintain a high level of service and reliability to customers in the network service territories.

Position Adds for Expanding Bodies of Work - \$235,561/4.00 FTE

The proposed budget adds resources in several areas where the body of work has expanded. One FTE is added in each of the following areas: dam safety, environmental compliance and real property, return to work coordination, and policy analysis.

The Federal Energy Regulatory Commission, the regulatory authority for the Skagit, Boundary, and South Fork Tolt River hydro projects, increased regulatory requirements after the recent discovery of a 65-foot crack in the Wanapum Dam (Columbia River). To address the additional requirements in performance, reliability, accessibility, safety, and durability, and to continue to meet licensing mandates, the department is adding a sixth dam safety engineer.

A new director-level position is needed in the Environmental Management and Compliance and Real Estate units to provide oversight and policy guidance. These units are responsible for homeless shelters and encampments, encroachments, property sales, environmental compliance, superfund clean-up, and right-of-way encroachments, all of which are experiencing higher-than-normal levels of activity. Additionally, the Chief Environmental Officer, who has historically been responsible for overseeing these activities, has recently taken on additional duties in the areas of environmental and energy policy at the regional and national level; hydro licensing; and climate mitigation and adaptation. The new director position, currently filled by temporary staff, will provide much needed leadership in these areas critical to the successful operation of the utility.

A temporary return-to-work coordinator was added two years ago, and the proposed budget converts the position, which is the only dedicated staff assigned to the return-to-work program, to full time. Adding this resource to process claims more quickly, work with medical providers to better understand the individual cases and the medical process, and identify light duty work assignments for injured staff, has significantly reduced the department's workers comp costs, and has reduced the average return-to-work time from approximately 90 days to 35 days.

Lastly, the department adds a senior policy advisor to the General Manager's Office to provide strategic planning, policy development and managerial support to senior staff, including City Light's General Manager and the Chief of Staff, and to the City's elected officials. The advisor will develop and implement policies, programs, legislation, contracts, and will draft communication materials as needed. They will also develop the Executive Decision Agenda - a tool to identify and evaluate the major programs and initiatives of City Light business units - for the Executive Team (Officers) and the Leadership Team (Directors). Finally, the advisor will reach out to other City departments and explore opportunities to develop and implement cross-departmental initiatives.

Seattle City Light

Technical Adjustments - \$3,653,681

Changes reflected in this category include adjustments within or between Budget Control Levels that align funding with spending requirements; corrections to baseline adjustments made during Executive phase; and other technical changes to staffing and program funding requirements. These changes are considered technical in nature because they do not significantly affect approved department service delivery or require new or additional policy decisions.

Annual Capital Program Spending Adjustments - (\$7,247,905)

This adjustment reflects year-to-year changes in CIP spending for existing projects outlined in the Strategic Plan and the 2017-2022 Adopted CIP budget. For a summary of City Light's capital program and more detail on project-level changes, please see the 2018-2023 Proposed CIP budget.

Seattle City Light

Expenditure Overview

Appropriations	Summit Code	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Capital					
Customer Focused - CIP Budget Control Level	SCL370	107,632,886	93,426,947	98,438,816	93,130,550
Financial Services - CIP Budget Control Level	SCL550	13,491,781	8,633,328	6,204,070	4,163,560
Power Supply & Environmental Affairs - CIP Budget Control Level	SCL250	118,179,614	70,819,756	93,580,296	93,905,434
Transmission and Distribution - CIP Budget Control Level	SCL360	204,763,814	142,369,967	98,692,342	110,989,474
General Expense					
Debt Service Budget Control Level	SCL810	202,954,491	213,372,652	227,317,057	227,317,057
General Expenses Budget Control Level	SCL800	104,319,583	104,814,529	106,652,643	106,835,662
Taxes Budget Control Level	SCL820	85,443,819	94,370,522	98,774,281	98,774,281
Operations and Maintenance					
Administrative Services O&M Budget Control Level	SCL400	9,825,148	9,322,211	9,684,950	15,027,767
Compliance and Security Budget Control Level	SCL900	5,126,492	0	0	0
Conservation Resources and Environmental Affairs O&M Budget Control Level	SCL220	92,510,853	0	0	0
Customer Service, Communications and Regulatory Affairs Budget Control Level	SCL110	0	43,565,482	45,448,991	93,579,227
Customer Services Budget Control Level	SCL320	33,473,902	0	0	0
Distribution Services Budget Control Level	SCL310	86,371,300	0	0	0
Engineering and Technology Innovation O&M Budget Control Level	SCL910	0	23,434,009	24,454,084	24,331,728
Environmental Affairs O&M Budget Control Level	SCL230	0	14,900,786	15,095,298	15,084,791
Financial Services - O&M Budget Control Level	SCL500	49,408,859	53,644,396	57,385,820	57,479,651
Generation Operations and Engineering O&M Budget	SCL610	0	23,288,606	23,842,980	23,788,029

Seattle City Light

Control Level

Office of Superintendent Budget Control Level	SCL100	3,666,815	0	0	0
Power Management and Strategic Planning O&M Budget Control Level	SCL730	0	70,981,644	78,293,800	16,295,977
Power Supply O&M Budget Control Level	SCL210	56,946,968	0	0	0
Transmission and Distribution O&M Budget Control Level	SCL330	0	60,446,782	64,420,747	77,299,331

Power Purchase

Long-Term Purchased Power Budget Control Level	SCL720	292,554,039	299,074,369	311,102,350	311,102,350
Short-Term Purchased Power Budget Control Level	SCL710	20,618,212	40,404,040	40,406,121	40,406,121
Department Total		1,487,288,576	1,366,870,026	1,399,794,646	1,409,510,990

Department Full-time Equivalents Total*		1,868.30	1,779.80	1,794.80	1,816.80
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** FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.*

Seattle City Light

Revenue Overview

2018 Estimated Revenues

Summit Code	Source	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
431010	Operating Grants	2,529,477	0	0	0
431200	BPA Payments for Conservation Deferred	9,256,295	2,500,000	0	10,000,000
443250	Other O&M Revenue	6,704,616	7,825,767	7,904,025	7,904,025
443250	Revenue From Damage	512,960	1,676,449	1,693,214	1,693,214
443345	BPA Credit for South Fork Tolt	3,272,563	3,122,722	2,961,495	3,163,145
443380	Account Change Fees	1,858,770	1,568,631	1,584,317	1,584,317
443380	Construction & Miscellaneous Charges	91,496	195,938	197,897	197,897
443380	Late Payment Fees	2,855,791	3,886,649	3,925,515	3,925,515
443380	Pole Attachments	2,632,386	2,382,627	2,406,454	2,406,454
443380	Property Rentals	2,513,061	2,628,785	2,655,072	2,655,072
443380	Reconnect Charges	434,853	1,133,635	1,144,971	1,144,971
443380	Transmission Attach. & Cell Sites	1,669,512	1,467,564	1,482,240	1,482,240
443380	Water Heater & Miscellaneous Rentals	159,612	160,743	162,350	162,350
461100	Federal Subsidies of Interest Payments on Debt	5,454,367	5,970,262	5,970,262	5,970,262
461100	Interest Earnings	7,341,549	7,985,561	7,834,446	8,425,449
461100	Sale of Property, Material & Equip.	403,441	0	0	0
462900	North Mountain Substation (Snohomish PUD)	247,791	415,980	420,145	416,386
462900	Transmission Sales	3,366,713	3,000,000	3,000,000	3,000,000
473010	Capital Fees and Grants	528,476	108,467	110,600	110,600
482000	Contributions in Aid of Construction	35,901,334	40,131,952	31,140,797	36,882,215
482000	Suburban Undergrounding	679,261	1,445,389	1,519,338	1,503,262
	Total Other	88,414,324	87,607,121	76,113,138	92,627,374
443310	Energy Sales to Customers	775,550,482	848,930,382	898,866,356	879,759,171
443310	Seattle Green Power/GreenUp/Community Solar	1,315,847	1,534,974	1,571,420	1,571,420
	Total Retail Revenue	776,866,329	850,465,356	900,437,776	881,330,591
443310	Sales from Priest Rapids	2,427,326	2,326,968	2,190,140	1,989,728
443345	Article 49 Sale to Pend Oreille Country	2,159,474	2,061,552	2,110,411	2,124,725
443345	Basis Sales	454,436	999,996	1,000,000	1,000,000
443345	Other Power Related Services	6,736,120	5,378,966	4,608,994	5,557,500
443345	Surplus Energy Sales	74,631,892	84,456,686	84,456,686	84,456,686

Seattle City Light

Total Wholesale Sales		86,409,248	95,224,168	94,366,231	95,128,639
Total Revenues		951,689,901	1,033,296,645	1,070,917,145	1,069,086,604
379100	Use of (contribution to) Fund Balance	535,598,675	333,573,381	328,877,501	340,424,386
Total Transfers		535,598,675	333,573,381	328,877,501	340,424,386
Total Resources		1,487,288,576	1,366,870,026	1,399,794,646	1,409,510,990

Appropriations By Budget Control Level (BCL) and Program

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 department's Capital Improvement Plan.

Program Expenditures	2016	2017	2018	2018
	Actuals	Adopted	Endorsed	Proposed
Customer Focused - CIP	107,632,886	93,426,947	98,438,816	93,130,550
Total	107,632,886	93,426,947	98,438,816	93,130,550
Full-time Equivalents Total*	132.32	132.32	132.32	56.82

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

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 department's Capital Improvement Plan.

Program Expenditures	2016	2017	2018	2018
	Actuals	Adopted	Endorsed	Proposed
Financial Services - CIP	13,491,781	8,633,328	6,204,070	4,163,560
Total	13,491,781	8,633,328	6,204,070	4,163,560
Full-time Equivalents Total*	10.71	10.71	10.71	10.71

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

Seattle City Light

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 department's Capital Improvement Plan.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Power Supply & Environmental Affairs - CIP	118,179,614	70,819,756	93,580,296	93,905,434
Total	118,179,614	70,819,756	93,580,296	93,905,434
Full-time Equivalents Total*	73.26	73.26	73.26	73.26

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

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 department's Capital Improvement Plan.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Transmission and Distribution - CIP	204,763,814	142,369,967	98,692,342	110,989,474
Total	204,763,814	142,369,967	98,692,342	110,989,474
Full-time Equivalents Total*	158.06	158.06	158.06	158.06

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

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.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Debt Service - BCL	202,954,491	213,372,652	227,317,057	227,317,057
Total	202,954,491	213,372,652	227,317,057	227,317,057

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.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
General Expenses	104,319,583	104,814,529	106,652,643	106,835,662
Total	104,319,583	104,814,529	106,652,643	106,835,662

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.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Taxes	85,443,819	94,370,522	98,774,281	98,774,281
Total	85,443,819	94,370,522	98,774,281	98,774,281

Administrative Services O&M Budget Control Level

The purpose of the Administrative Services Budget Control Level is to provide employee and management support services, including safety programs, organizational development, training, personnel, and labor relations.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Administrative Services O&M	9,825,148	9,322,211	9,684,950	15,027,767
Total	9,825,148	9,322,211	9,684,950	15,027,767
Full-time Equivalents Total*	57.50	57.00	57.00	91.17

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

Seattle City Light

Compliance and Security Budget Control Level

The purpose of the Compliance and Security Budget Control Level is to monitor compliance with federal electric reliability standards and secure critical utility infrastructure.

Program Expenditures	2016	2017	2018	2018
	Actuals	Adopted	Endorsed	Proposed
Compliance and Security	5,126,492	0	0	0
Total	5,126,492	0	0	0
Full-time Equivalents Total*	17.50	0.00	0.00	0.00

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

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 help the utility generate and deliver energy in an environmentally responsible manner. This Budget Control Level also supports the utility's renewable resource development programs.

Program Expenditures	2016	2017	2018	2018
	Actuals	Adopted	Endorsed	Proposed
Conservation Resources and Environmental Affairs O&M	92,510,853	0	0	0
Total	92,510,853	0	0	0
Full-time Equivalents Total*	116.50	0.00	0.00	0.00

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

Seattle City Light

Customer Service, Communications and Regulatory Affairs Budget Control Level

The purpose of the Customer Service, Communications, and Regulatory Affairs Budget Control Level is to provide customer services and communications, to implement demand-side conservation measures that offset the need for additional generation resources, and to monitor compliance with federal electric reliability standards and secure critical utility infrastructure. Customer services include metering, billing, account management, and support for customer information systems. The utility's General Manager and government affairs functions are also included in this Budget Control Level.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Customer Service, Communications and Regulatory Affairs	0	43,565,482	45,448,991	93,579,227
Total	0	43,565,482	45,448,991	93,579,227
Full-time Equivalents Total*	0.00	264.89	264.89	341.39

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

Customer Services Budget Control Level

The purpose of the Customer Services Budget Control Level is to provide customer services. These include metering, billing, account management, and support for customer information systems.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Customer Services	33,473,902	0	0	0
Total	33,473,902	0	0	0
Full-time Equivalents Total*	210.75	0.00	0.00	0.00

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

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 operation and maintenance of City Light's overhead and underground distribution systems, substations, and transmission systems.

Program Expenditures	2016	2017	2018	2018
	Actuals	Adopted	Endorsed	Proposed
Distribution Services	86,371,300	0	0	0
Total	86,371,300	0	0	0
Full-time Equivalents Total*	587.04	0.00	0.00	0.00

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

Engineering and Technology Innovation O&M Budget Control Level

The purpose of the Engineering and Technology Innovation Budget Control Level is to provide engineering and leadership on emerging utility technology, asset management, transportation electrification, solar, and other technologies. The energy delivery engineering and asset management functions are also included in this Budget Control Level.

Program Expenditures	2016	2017	2018	2018
	Actuals	Adopted	Endorsed	Proposed
Engineering and Technology Innovation O&M	0	23,434,009	24,454,084	24,331,728
Total	0	23,434,009	24,454,084	24,331,728
Full-time Equivalents Total*	0.00	212.00	216.00	219.00

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

Environmental Affairs O&M Budget Control Level

The purpose of the Environmental Affairs O&M Budget Control Level is to help the utility generate and deliver energy in an environmentally responsible manner. This Budget Control Level also supports the utility's renewable resource development programs, hydro relicensing, and real estate.

Program Expenditures	2016	2017	2018	2018
	Actuals	Adopted	Endorsed	Proposed
Environmental Affairs O&M	0	14,900,786	15,095,298	15,084,791
Total	0	14,900,786	15,095,298	15,084,791
Full-time Equivalents Total*	0.00	48.00	49.00	51.00

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

Seattle City Light

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 planning, risk mitigation, and provision of information to make financial decisions. Information technology services are also provided through this Budget Control Level to support systems and applications used throughout the utility.

Program Expenditures	2016	2017	2018	2018
	Actuals	Adopted	Endorsed	Proposed
Financial Services - O&M	49,408,859	53,644,396	57,385,820	57,479,651
Total	49,408,859	53,644,396	57,385,820	57,479,651
Full-time Equivalents Total*	198.45	77.09	79.09	81.09

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

Generation Operations and Engineering O&M Budget Control Level

The purpose of the Generation Operations and Engineering Budget Control Level is to provide power to City Light customers by engineering and operating the power production facilities in a clean, safe, efficient, and reliable manner. The utility's power production engineering and generation operations are included in this Budget Control Level.

Program Expenditures	2016	2017	2018	2018
	Actuals	Adopted	Endorsed	Proposed
Generation Operations and Engineering O&M	0	23,288,606	23,842,980	23,788,029
Total	0	23,288,606	23,842,980	23,788,029
Full-time Equivalents Total*	0.00	176.89	176.89	177.89

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

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 deliver reliable electric power and maintain the financial health of the utility. The utility's communications and governmental affairs functions are included in this Budget Control Level.

Program Expenditures	2016	2017	2018	2018
	Actuals	Adopted	Endorsed	Proposed
Office of Superintendent	3,666,815	0	0	0
Total	3,666,815	0	0	0
Full-time Equivalents Total*	21.75	0.00	0.00	0.00

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

Seattle City Light

Power Management and Strategic Planning O&M Budget Control Level

The purpose of the Power Management and Strategic Planning O&M Budget Control Level is to provide electric power for City Light customers; to support the power marketing operations of the utility; and to provide utility-wide support services such as shops, real estate, fleet, and facility management services.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Power Management and Strategic Planning O&M	0	70,981,644	78,293,800	16,295,977
Total	0	70,981,644	78,293,800	16,295,977
Full-time Equivalents Total*	0.00	135.74	140.74	44.66

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

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.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Power Supply O&M	56,946,968	0	0	0
Total	56,946,968	0	0	0
Full-time Equivalents Total*	284.46	0.00	0.00	0.00

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

Seattle City Light

Transmission and Distribution O&M Budget Control Level

The purpose of the Transmission and Distribution O&M Budget Control Level is to provide reliable electricity to customers through operation and maintenance of City Light's overhead and underground distribution systems, substations, and transmission systems.

Program Expenditures	2016	2017	2018	2018
	Actuals	Adopted	Endorsed	Proposed
Transmission and Distribution O&M	0	60,446,782	64,420,747	77,299,331
Total	0	60,446,782	64,420,747	77,299,331
Full-time Equivalents Total*	0.00	433.84	436.84	511.75

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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.

Program Expenditures	2016	2017	2018	2018
	Actuals	Adopted	Endorsed	Proposed
Long-Term Purchased Power	292,554,039	299,074,369	311,102,350	311,102,350
Total	292,554,039	299,074,369	311,102,350	311,102,350

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 up to 24 months in advance.

Program Expenditures	2016	2017	2018	2018
	Actuals	Adopted	Endorsed	Proposed
Short-Term Purchased Power	20,618,212	40,404,040	40,406,121	40,406,121
Total	20,618,212	40,404,040	40,406,121	40,406,121

Seattle City Light

City Light Fund - 2018 Proposed Budget

	2016 Actuals	2017 Adopted	2017 Revised	2018 Endorsed	2018 Proposed
Beginning Fund Balance	417,614,968	386,558,971	294,854,173	365,124,342	375,830,179
Accounting and Technical Adjustments	396,457,789	312,138,752	382,233,937	322,052,906	352,468,290
Plus: Actual and Estimated Revenue	968,069,992	1,033,296,645	1,056,205,418	1,070,917,145	1,069,086,604
Less: Actual and Budgeted Expenditures	1,487,288,576	1,366,870,026	1,357,463,349	1,399,794,646	1,409,510,990
Ending Fund Balance	294,854,173	365,124,342	375,830,179	358,299,747	387,874,083
Less: Reserves Against Cash Balances					
Restricted Accounts*	102,478,880	127,187,496	128,421,259	148,287,614	150,764,319
Contingency Reserve / RSA	91,134,527	93,763,850	98,798,297	95,180,909	95,180,909
Construction Account	28,373,126	99,092,511	85,121,658	85,471,930	102,096,249
Total Reserves	221,986,533	320,043,857	312,341,214	328,940,453	348,041,477
Ending Unreserved Fund Balance	72,867,640	45,080,485	63,488,965	29,359,294	39,832,606

*Includes Special Deposits, Debt Service Account, and Bond Reserves. Does not include the Construction Account.

Seattle Public Utilities

Mami Hara, General Manager & CEO

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

Department Overview

Seattle Public Utilities (SPU) provides reliable, efficient and environmentally conscious utility services to enhance the quality of life and livability in all communities SPU serves. SPU operates three distinct utilities: Drainage and Wastewater, Solid Waste and Water. The three utilities each have unique revenue sources and capital improvement projects, but share many operations and administration activities within SPU and the City.

Drainage and Wastewater: The Drainage and Wastewater Utility collects and disposes or discharges storm runoff and wastewater from residences, businesses, institutions and public properties within the City. In addition to handling sewage and storm water runoff, Drainage and Wastewater works with other government agencies and private parties to address Federal EPA-mandated sediment cleanup projects where contamination is linked to storm water or sewage, such as Gas Works Park and the Lower Duwamish Waterway. The drainage and wastewater system includes approximately 448 miles of separated sanitary sewers, 968 miles of combined sewers, 477 miles of storm drains, 68 pump stations, 90 permitted combined sewer overflow outfalls, 295 storm drain outfalls, 189 stormwater quality treatment facilities, 145 flow control facilities, and 38 combined sewer overflow control detention tanks and pipes.

Solid Waste: The Solid Waste Utility collects and processes recycling, compostables, and residential and commercial garbage to promote public health and safety, quality of life, and environmental stewardship. The City owns and operates two transfer stations, two household hazardous waste facilities, a fleet of trucks and heavy equipment, and several closed landfills. The Solid Waste Capital Improvement Plan (CIP) supports the transfer stations, heavy equipment, and post-closure projects on landfills previously used by the City. In addition, SPU contracts with private companies who collect household refuse, compostable material, and recyclables. The companies deliver the material to recycling and composting facilities and to transfer stations for its ultimate processing or disposal. In concert with its waste handling and disposal activities, Solid Waste engages its customers in environmental sustainability programs that promote recycling, composting and reducing waste generation. Solid Waste also works to keep Seattle clean, by targeting illegal dumping, automobile abandonment, graffiti removal and providing public litter cans and recycling bins across Seattle.

Water: The Water Utility provides reliable, clean, and safe water to more than 1.4 million customers in and around Seattle for consumption and other uses. The water delivery system extends from Edmonds to Des Moines and from Puget Sound to Lake Joy near Duvall. SPU delivers water directly to its customers in Seattle and adjacent areas, and provides wholesale water to 21 suburban water utilities and two interlocal associations for distribution to their customers. The Water Utility includes 1,900 miles of pipeline, 30 pump stations, 15 treated water reservoirs, three wells and 104,000 acres in two watersheds. The Utility builds, operates and maintains the City's water infrastructure to ensure system reliability, conserve and enhance the region's environmental resources and protect public health and safety. SPU engages the community in conservation efforts to reduce water consumption.

SPU monitors its funds using financial targets and employs these metrics to communicate about the financial health of its utilities with the Mayor and 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

Seattle Public Utilities

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. Due to strong financial management and a commitment on the part of elected officials to establishing prudent rates, SPU has some of the strongest bond ratings of any utility in the country. SPU's Water and Drainage and Wastewater bonds are rated one notch below the highest rating by both S&P (AA+) and Moody's (Aa1), while Solid Waste bonds, which traditionally are viewed as riskier by ratings agencies, are just slightly lower and still categorized as High Grade High Quality bonds (AA and Aa3 from the two agencies, respectively). These high ratings help SPU sell revenue bonds to fund infrastructure investments at the lowest costs possible. These lowered costs benefit the utilities and the rate payers they serve.

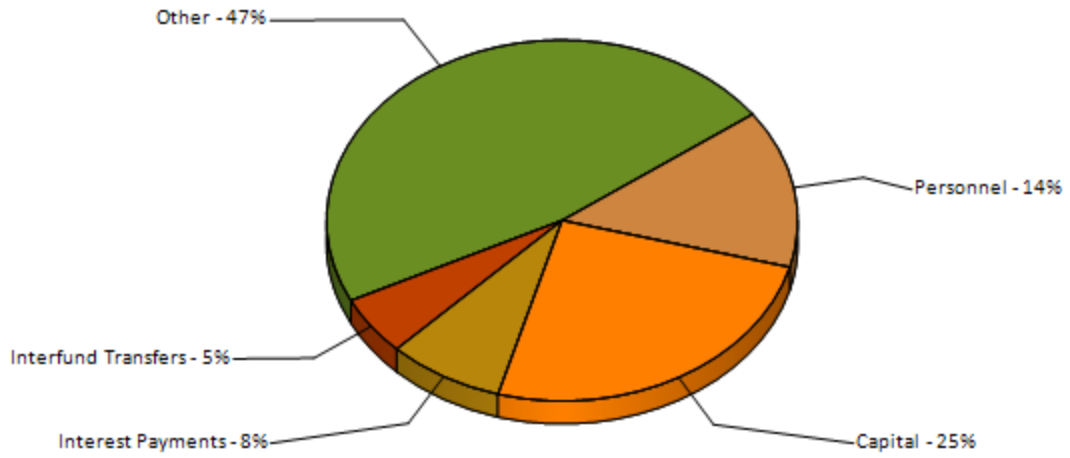
Budget Snapshot

Department Support	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
General Fund Support	\$8,132,133	\$9,433,982	\$9,550,015	\$8,542,557
Other Funding - Operating	\$749,639,539	\$830,294,555	\$861,086,109	\$864,808,767
Total Operations	\$757,771,672	\$839,728,537	\$870,636,124	\$873,351,324
Other funding - Capital	\$221,906,858	\$254,430,086	\$298,285,405	\$294,067,770
Total Appropriations	\$979,678,530	\$1,094,158,623	\$1,168,921,529	\$1,167,419,094
Full-time Equivalent Total*	1,460.05	1,359.05	1,359.05	1,398.55

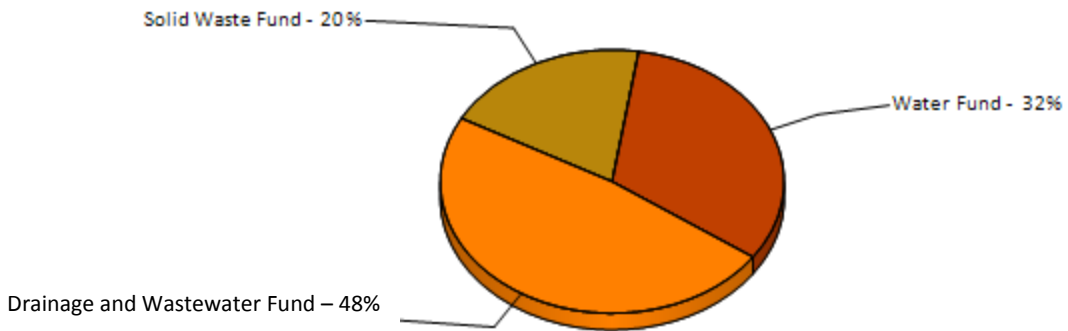
* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

Seattle Public Utilities

2018 Proposed Budget - Expenditure by Category



2018 Proposed Budget - Revenue by Category



Seattle Public Utilities

Budget Overview

The 2018 Proposed Seattle Public Utilities (SPU) Budget includes some modifications from the 2018 Endorsed Budget that reflect the updated 2018-2023 6-year Strategic Business Plan, adopted in September 2017.

Strategic Business Plan:

SPU developed a Strategic Business Plan, adopted in August 2014, that guides the department's operations and investments for the period of 2015-2020. A nine-member customer panel oversaw the development of the plan. The plan sets a transparent and integrated direction for all SPU utilities and contains a six-year rate path for water, drainage, wastewater, and solid waste rates. SPU has updated the plan to reflect the 2018-2023 rate period, and proposed a 6-year utility rate path.

In 2018, SPU continues with programmatic reprioritization, efficiency improvements, and refinement of the Capital Improvement Program and operating budgets outlined in the plan to streamline utility services and deliver on regulatory requirements. In this first year of the updated Strategic Business Plan, many of the budget changes for SPU reprioritize and balance project timing, resulting in a net decrease in total 2018 budget. In addition, SPU is proposing to add 39 positions (39.5 FTE) in the 2018 Proposed Budget to plan for the major investments as outlined in the Strategic Business Plan. The main areas of focus for the 2018-2023 Strategic Business Plan build upon the original 2015-2020 Strategic Business Plan.

2015-2020 Strategic Plan Continuing Initiatives:

- Watershed management and maintenance
- Drainage and wastewater inspection, maintenance, and rehabilitation
- Internal service improvements
- Workforce investments in training and performance
- Customer service improvements
- System planning and emergency response improvements
- Information technology coordination

2018-2023 Strategic Plan Update New Initiatives

- Improvements to security and asset maintenance
- Apprenticeship program investments
- Sewer repair and water distribution system investments
- Green stormwater infrastructure investments
- Information technology strategy and management

Drainage and Wastewater Highlights

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 fees. For wastewater, SPU collects charges based on the metered water usage via the SPU combined utility bill. For drainage, SPU charges Seattle property owner's fees based on property characteristics contributing to stormwater runoff. The drainage fee appears as a line item on King County property tax bills.

Drainage and Wastewater Rates were adopted in July 2015, and reflect an increase in the original expectations in the Strategic Business Plan. In 2018, Drainage rates will grow by 8.0%. Wastewater rates will grow by 1.2%. These rates are inclusive of King County treatment rates, which are typically added to rates charged by SPU to cover wastewater and drainage treatment costs. New Drainage and Wastewater rates will be developed in 2018 for the 2019-2021 time period.

Seattle Public Utilities

Environmental Compliance: Drainage and Wastewater will continue the efforts identified in the 2017 Adopted Budget to address environmental compliance through long-term issues like Combined Sewer Overflows (CSOs), National Pollutant Discharge Elimination System (NPDES) permits and contaminated soil clean-ups and containment areas. SPU will also invest additional resources to focus on CSO response. Capital program increases in the 2018-2023 Proposed CIP reprioritize and add projects based on CSO and clean-up efforts, the largest of which is the Ship Canal Water Quality Project. This project will construct a CSO overflow tunnel between Ballard and Wallingford, and is a joint project with King County.

SPU will participate in a new phased appropriation pilot to provide better oversight and transparency over the budget for the tunnel construction portion of the Ship Canal Water Quality Project during the 2018 Proposed Budget process. The Executive will work with City Council to implement this new pilot.

SPU is adding 24.5 FTEs in the Drainage and Wastewater Fund to support increased sewer repair, operations and maintenance expansion, improvements to performance and community capacity, capital project pre-planning support, security monitoring, regulatory compliance, and the drainage and wastewater apprenticeship program.

Solid Waste Highlights:

The Solid Waste Utility provides collection services to residents and businesses within the City of Seattle. Financial support of this service is primarily generated through charges based on the amount of garbage collected from residential and commercial waste collection contracts. Solid Waste will pursue opportunities for efficiencies in service delivery as it continues to experience decreased demand for services as a result of its conservation efforts to reduce solid waste and increase recycling activity.

The Solid Waste Fund expects long-term demand to remain stable, with a small decline in some sectors through 2019.

Clean City Program Expansion: The Clean City Program is the city's public garbage program which provides garbage and recycling services for city parks, public garbage and recycling receptacles, illegal dumping and abandoned vehicle response, graffiti abatement, community clean-up funding, and the above-ground rodent abatement program. In 2016, the City announced new pilot programs and expanded support for existing services related to public litter and encampment clean-up. The 2018 Proposed Budget continues funding for:

- additional Business Improvement Area (BIA) funding for litter;
- expanded outreach and capacity-building for BIAs;
- short-term neighborhood litter pick-up pilot projects;
- unsanctioned encampment waste removal pilot projects; and
- waste sharps disposal and response program.

These activities are supported by General Subfund revenues.

The City Council adopted solid waste rates in July 2016 for the three-year period of 2017-2019, effective April 1, 2017. The Council adopted rates with an increase of 7.2% in 2017, 1.9% in 2018, and 4.0% in 2019. SPU will propose new Solid Waste rates in 2019 for the 2020-2023 time period.

SPU is adding 5 FTEs in the Solid Waste Fund to support capital project pre-planning as well as asset maintenance and operations improvements.

Water Highlights:

Water delivers potable water directly to retail customers both inside the City and in adjacent areas. These retail customers provide about 72% of the Water Fund's operating revenues, with roughly equal revenues coming from residential and commercial users. SPU also delivers water to districts and agencies who then deliver water to their direct customers. This wholesaling of water represents about 21% of Water's projected operating revenues in

Seattle Public Utilities

2018. The remaining revenue is generated by non-rate fees and other sources, including charges and reimbursement services that Water provides on behalf of the City as well as from grants and contributions.

The Water line of business has moved away from a period of intensive capital investment in new projects and is transitioning into maintenance and improvements of the existing transmission and distribution system. SPU will continue its efforts to complete reservoir retrofits and covering, water supply and asset preservation projects as detailed in the 2018-2023 Proposed CIP.

The City Council will adopt water rates for retail customers in 2017 for the 2018, 2019 and 2020 rate period. Water rates are currently proposed at 3.0% in 2018, 3.5% in 2019, and 4.0% in 2020 under the 2018-2023 Strategic Business Plan.

SPU is adding 10 FTEs in the Water Fund to support expanded maintenance of water fund assets, regulatory requirements, expanded capital project pre-planning, and the water apprentice program.

Seattle Public Utilities

Incremental Budget Changes

Seattle Public Utilities

	2018	
	Budget	FTE
Total 2018 Endorsed Budget	\$ 1,168,921,529	1,359.05
Baseline Changes		
Citywide Adjustments for Standard Cost Changes	\$ 1,337,738	0.00
Proposed Changes		
Technical Adjustments	-\$ 882,974	0.00
IT Operational Portfolio	\$ 150,000	1.00
Apprenticeship Program Enhancements	\$ 344,306	2.00
Security Monitoring	\$ 135,307	1.00
Water and Sewer System Repair Crews	\$ 907,002	10.00
Asset Maintenance and Operations	\$ 1,844,167	10.00
Environmental Justice and Technical Support	\$ 182,846	4.50
Capital Support in Operations	\$ 568,487	5.00
70% Recycling Goal Investments	\$ 810,337	0.00
Regulatory Requirements	\$ 1,277,234	5.00
Department Savings and Deferrals	-\$ 4,054,250	0.00
Green Stormwater Infrastructure	\$ 95,000	1.00
Water Fund Capital Projects	\$ 7,507,992	0.00
Drainage and Wastewater Fund Capital Projects	\$ 4,537,052	0.00
Solid Waste Fund Capital Projects	-\$ 16,349,947	0.00
Technology Capital Projects	\$ 87,268	0.00
Total Incremental Changes	-\$ 1,502,435	39.50
2018 Proposed Budget	\$ 1,167,419,094	1,398.55

Seattle Public Utilities

Descriptions of Incremental Budget Changes

Baseline Changes

Citywide Adjustments for Standard Cost Changes - \$1,337,738

Citywide technical adjustments made in the baseline phase reflect changes to internal services costs, health care, and industrial insurance charges for the department. These adjustments reflect initial assumptions about these costs and inflators early in the budget process.

Proposed Changes

Technical Adjustments - (\$882,974)

This item includes technical adjustments reflecting increases for taxes, contract savings reinvestment, and labor related adjustments. It also includes reductions to debt service, major contract savings, adjustments to central costs, and a technical transfer of budget authority to the Department of Parks and Recreation for solid waste disposal.

IT Operational Portfolio - \$150,000/1.00 FTE

This item adds 1.0 FTE Strategic Advisor 3 position to support SPU's information technology portfolio. This position would complement consolidated Seattle Department of Information Technology services, and support SPU's ongoing technology strategy and needs.

Apprenticeship Program Enhancements - \$344,306/2.00 FTE

This item expands SPU's apprenticeship program in the Drainage and Wastewater, as well as Water lines of business. This item adds 2.0 FTE Apprenticeship Coordinators to support the ongoing program, and includes additional funding for supplies and materials.

Security Monitoring - \$135,307/1.00 FTE

This item adds 1.0 FTE Security Monitoring Specialist to support new security needs as SPU adds assets and infrastructure to the water, wastewater, and drainage system. This position will support ongoing monitoring for vandalism, unauthorized entry, and other safety concerns. This item includes funding for the position as well as supplies and materials.

Water and Sewer System Repair Crews - \$907,002/10.00 FTE

This item will fund one crew of 4.0 FTEs, including two Water Pipe Workers and two Senior Water Pipe Workers to expand maintenance on fire hydrants and fire hydrant valves. This will improve SPU's ability to address gaps in maintenance across the City resulting in growth and maintenance backlogs. This item also includes funding to support a new 6.0 FTE crew to implement new sewer repair technologies. The crew includes three Drainage and Wastewater Collection Workers, two Drainage and Wastewater Collection Lead Workers, and one Drainage and Wastewater Crew Chief. The crew will use new sewer lining technology to improve efficiency of spot repairs in sewer lines that previously required underground construction. This work was previously only available through limited contract options. This change also includes funding in the Drainage and Wastewater Capital Improvement Program.

Seattle Public Utilities

Asset Maintenance and Operations - \$1,844,167/10.00 FTE

This item supports 10.0 FTE positions to maintain efficient inventory operations, landfill management, technical support needs, ground maintenance, and wireless technology coordination. Two temporary positions will be converted to permanent Senior Warehouse positions to maintain ongoing improvements in warehouse inventory activities. Three positions will be added to support ongoing landfill management, including two Heavy Truck Drivers to support expanded compost hauling needs and one Senior Environmental Analyst to continue ongoing oversight of landfill management. SPU is also adding two positions for technical support, including one Meter Reader position and one Senior Mechanical Engineer to expand internal expertise for SPU's increasingly complex engineering projects. Two additional Gardener positions are included to help SPU maintain more drainage assets that incorporate greenspace, ponds, and Green Stormwater Infrastructure on utility-owned land. One Planning and Development Specialist will manage wireless technology coordination to improve coordinated investments in mobile technologies. This item also includes non-labor funding to support ongoing transition work for the Summit Reimplementation Project.

Environmental Justice and Technical Support - \$182,846/4.50 FTE

SPU will convert four temporary positions to 4.0 FTEs, and add an additional 0.5 FTE to an existing position for expanding needs in environmental justice and financial analysis. Two temporary positions will be converted to Strategic Advisor 1 positions to support SPU's Environmental Justice and Social Equity (EJSE) Division to continue ongoing work on engaging communities of color, immigrants and refugees, customers with low income, and customers with limited English proficiency. One temporary position will be converted to a Strategic Advisor 1 to maintain ongoing change management work to improve SPU's ability to adapt to best management practices. One temporary position will be converted to a Strategic Advisor 1 to continue SPU's successful E-Learning program supporting the ongoing education of SPU employees. One part-time position will be expanded by 0.5 FTE to a full-time Accounting Tech III position to help SPU manage ongoing financial analysis needs as the department grows. Finally, this item includes non-labor funding to increase contracting with community partnerships to increase EJSE engagement with communities.

Capital Support in Operations - \$568,487/5.00 FTE

This item funds operational support activities that precede or complement capital project delivery. This item converts four temporary positions into 4.0 FTEs, and adds 1.0 FTE new position. Two positions will be converted from temporary to full-time Senior Public Relations Specialists to extend and improve SPU's communications to communities around major capital projects that impact them. Two positions will be converted from temporary to full-time Management Systems Analysts to maintain consistency in cost estimation and project control. One Strategic Advisor 2 position will be added to support additional water system modeling. This item also includes non-labor funding for pre-capital planning work on Seattle Department of Transportation's Move Seattle Levy projects anticipated to impact SPU assets.

70% Recycling Goal Investments - \$810,337

This item funds new activities in SPU to further the department's efforts in reaching a 70% recycling goal by encouraging waste prevention and initiating a construction waste sorting pilot. The City currently meets a target of 59% of the waste stream considered as recyclable or compostable waste. This new work will develop tools to track and measure waste prevention behavior, establish baseline data and waste characterization profiles, and implement an attitudes and behaviors survey tool to understand customer sorting behavior and barriers to waste diversion. Also included in this funding is support for a food waste prevention and recovery campaign. Finally, this change will advance a new pilot to test sorting capabilities at the South Transfer Station for construction and demolition waste, which comprises a large portion of potentially recyclable materials not currently diverted from the waste stream.

Seattle Public Utilities

Regulatory Requirements - \$1,277,234/5.00 FTE

SPU must comply with numerous federal, state, and local regulatory requirements. This item funds 5.0 FTEs and additional non-labor funding to improve side sewer enforcement, the Utility Locate Program (Call Before You Dig), water quality sampling, facility compliance, and asset monitoring requirements. These positions include one Senior Civil Engineer to monitor and conduct side sewer enforcement policies, three Drainage and Wastewater Collection Workers to map, mark, and respond to underground utility location inquiries, and one Water Quality Analyst to support expanded coliform sampling as required by the Department of Health. This item also includes non-labor funding to increase SPU facility compliance for American Disabilities Act regulations, energy efficiency requirements, and landfill gas monitoring. Finally, \$745,000 of non-labor funding is included in this item for ongoing monitoring of wastewater outfalls, runoff water quality, and landfill and transfer station requirements.

Department Savings and Deferrals - (\$4,054,250)

This item reflects strategic deferrals of major projects or direct savings due to efficiency improvements to department operations. SPU has identified improvements to project life cycle timing, permanent ongoing resources to replace temporary or contract resources, and new operational strategies that have reduced overtime and eliminated unneeded technical tools to realize savings. SPU has also identified refinements in cost estimation that have resulted in lower costs. Finally, SPU has refined capital project timing to align with the utility's Strategic Business Plan, resulting in deferred planning, consultant support, modeling, and maintenance analysis not required in 2018.

Green Stormwater Infrastructure - \$95,000/1.00 FTE

As part of SPU's Strategic Business Plan, the utility will invest more in Green Stormwater Infrastructure Program projects that improve drainage and stormwater diversion through rain gardens and managed natural soil and vegetation that helps to clean and control runoff before it reaches lakes, rivers, and oceans. This item funds 1.0 FTE Strategic Advisor 2 position to help coordinate and focus the program in neighborhoods that are rapidly increasing in density and growth.

Water Fund Capital Projects - \$7,507,992

Changes to the Water Fund Capital Improvement Program (CIP) reflect increases and decreases of capital projects for the 2018 Proposed Budget. Increases include higher cost estimates for feeder mains, elevated tank upgrades, seismic reservoir upgrades, and Move Seattle Levy projects in 2018. Decreases are attributable to refined cost estimates for hatchery projects and new lower cost alternatives for the Transmission Pipelines Rehabilitation project. Please refer to the 2018-2023 Proposed CIP for more detail.

Drainage and Wastewater Fund Capital Projects - \$4,537,052

Changes to the Drainage and Wastewater Fund Capital Improvement Program (CIP) reflect increases, deferrals and acceleration of capital projects for the 2018 Proposed Budget. Increases include capital project resources to support the enhanced sewer repair crew funded in the Water and Sewer System Repair Crews incremental budget change. Other increases include accelerated and increased costs to conduct underground utility relocations for the Alaskan Way Viaduct, Move Seattle Levy, and other transportation projects, increases to the West Ship Canal Project for expanded design needs, as well as facility renovation costs for the new Drainage and Wastewater South Operations facility. Decreases in this change reflect the deferral of localized flood reduction projects, resequencing components of the West Ship Canal Water Quality Project, and other drainage improvement and overflow projects. These deferrals are necessary to sequence other priority projects and maintain SPU's target rate path as presented in the utility's Strategic Business Plan. Please refer to the 2018-2023 Proposed CIP for more detail.

Seattle Public Utilities

Solid Waste Fund Capital Projects - (\$16,349,947)

Changes to the Solid Waste Fund Capital Improvement Program (CIP) reflect the deferral of the South Transfer Station Phase 2 capital project for the 2018 Proposed Budget. This deferral is needed to accommodate the sequencing of other major capital projects in the community. This item also includes small increases in heavy equipment as determined by the Solid Waste Comprehensive Plan Update, a requirement of the Washington State Department of Ecology. Please refer to the 2018-2023 Proposed CIP for more detail.

Technology Capital Projects - \$87,268

Changes to the Technology Capital Improvement Program (CIP) reflect decreases, acceleration and deferrals of capital projects for the 2018 Proposed Budget. The Technology CIP funds information technology projects that support the Water, Drainage and Wastewater and Solid Waste lines of business. Increases include acceleration of work supporting the Customer Contact and Billing Program. This change defers costs for major Geographic Information Systems and Computer Aided Design and Drafting platform upgrades, project delivery enterprise systems, asset management system upgrades, and science and system performance applications to accommodate other projects. Please refer to the 2018-2023 Proposed CIP for more detail.

Seattle Public Utilities

Expenditure Overview

Appropriations	Summit Code	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Drainage & Wastewater Utility					
Administration Budget Control					
Administration		18,886,347	12,922,523	13,364,541	15,279,478
General and Administrative Credit		-17,261,939	-11,600,414	-11,923,708	-12,090,656
Total	N100B-DW	1,624,408	1,322,109	1,440,833	3,188,822
Combined Sewer Overflows Budget Control Level	C360B	48,825,598	37,290,884	39,482,646	33,136,531
Customer Service Budget Control Level	N300B-DW	8,521,048	10,498,664	10,758,098	10,885,954
Flooding, Sewer Back-up, and Landslides Budget Control Level	C380B	10,910,900	18,646,186	32,178,536	16,565,889
General Expense Budget Control					
Debt Service		49,855,250	63,679,631	73,251,121	71,685,360
Other General Expenses		174,801,236	199,388,021	204,670,535	201,915,171
Taxes		49,167,369	51,274,136	52,654,747	54,520,036
Total	N000B-DW	273,823,856	314,341,788	330,576,403	328,120,567
Other Operating Budget Control					
DWW LOB		40,115,750	46,061,587	46,970,685	48,843,803
Field Operations		0	0	0	0
Pre-Capital Planning & Development		1,522,713	2,188,339	2,119,200	1,901,273
Project Delivery		12,786,400	13,228,787	13,559,706	14,229,213
Solid Waste LOB		71,829	0	0	13,322
Utility Systems Management		0	0	0	0
Water LOB		5,191,397	5,250,560	5,597,312	5,098,409
Total	N400B-DW	59,688,089	66,729,273	68,246,903	70,086,020
Protection of Beneficial Uses Budget Control Level	C333B	3,421,127	9,897,378	10,283,913	11,730,529
Rehabilitation Budget Control Level	C370B	18,872,736	29,774,678	36,603,112	39,088,532
Sediments Budget Control Level	C350B	3,732,216	6,854,789	6,552,998	6,489,059
Shared Cost Projects Budget Control Level	C410B-DW	24,706,300	23,446,404	33,004,611	55,632,328
Technology Budget Control Level	C510B-DW	8,607,314	11,185,051	6,161,485	6,134,896

Seattle Public Utilities

Solid Waste Utility

Administration Budget Control

Administration		7,276,231	5,984,704	6,075,861	6,790,508
General and Administrative Credit		-3,680,840	-1,492,226	-1,490,876	-2,242,832

Total	N100B-SW	3,595,391	4,492,478	4,584,985	4,547,676
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Customer Service Budget Control Level	N300B-SW	10,223,678	11,879,025	12,060,301	11,359,669
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General Expense Budget Control

Debt Service		15,841,035	16,376,671	16,306,288	16,177,625
Other General Expenses		115,764,643	123,338,864	127,360,361	126,801,961
Taxes		21,949,874	25,967,732	27,435,605	27,449,925

Total	N000B-SW	153,555,551	165,683,267	171,102,254	170,429,511
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New Facilities Budget Control Level	C230B	16,987,461	7,823,757	19,672,816	3,623,202
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Other Operating Budget Control

DWW LOB		85,649	80,442	82,072	45,333
Field Operations		0	0	0	0
Pre-Capital Planning & Development		235,492	170,071	173,481	170,789
Project Delivery		1,130,951	1,232,921	1,257,535	1,293,999
Solid Waste LOB		18,159,874	21,778,290	22,301,912	24,120,746
Utility Systems Management		0	0	0	0
Water LOB		570,750	469,472	477,015	292,673

Total	N400B-SW	20,182,716	23,731,196	24,292,015	25,923,540
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Rehabilitation and Heavy Equipment Budget Control Level	C240B	38,170	400,000	120,000	270,000
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Shared Cost Projects Budget Control Level	C410B-SW	1,795,714	2,921,977	2,343,914	1,893,581
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Technology Budget Control Level	C510B-SW	6,815,783	5,864,014	2,750,610	3,243,789
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Water Utility

Administration Budget Control

Administration		20,085,443	14,802,695	15,197,278	17,042,019
General and Administrative Credit		-11,981,825	-7,198,867	-6,758,941	-7,510,262

Total	N100B-WU	8,103,618	7,603,828	8,438,337	9,531,757
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Customer Service Budget Control Level	N300B-WU	10,133,473	12,343,177	12,680,694	12,657,572
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Distribution Budget Control	C110B	24,946,413	28,295,498	27,895,207	34,686,903
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Seattle Public Utilities

Level

General Expense Budget Control

Debt Service		83,289,590	83,472,461	85,612,088	85,734,229
Other General Expenses		24,980,055	33,674,599	34,555,663	33,664,371
Taxes		42,128,072	42,293,582	44,090,410	44,650,169
Total	N000B- WU	150,397,717	159,440,642	164,258,161	164,048,769

Habitat Conservation Program	C160B	2,040,531	2,105,933	2,606,331	1,959,331
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Other Operating Budget Control

DWW LOB		187,214	179,311	181,380	180,967
Field Operations		0	0	0	0
Pre-Capital Planning & Development		2,035,010	1,784,392	1,798,197	1,786,742
Water LOB		48,546,216	52,483,442	52,699,804	53,093,779
Project Delivery		7,063,900	7,215,945	7,517,759	7,493,327
Solid Waste LOB		89,787	0	0	16,652
Utility Systems Management		0	0	0	0
Total	N400B- WU	57,922,127	61,663,090	62,197,140	62,571,467

Shared Cost Projects Budget Control Level	C410B- WU	18,781,828	35,633,742	38,399,445	51,027,150
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Technology Budget Control Level	C510B- WU	9,234,409	11,733,604	7,409,884	7,030,562
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Transmission Budget Control Level	C120B	2,639,084	5,529,397	22,430,952	9,661,995
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Water Quality & Treatment Budget Control Level	C140B	1,381,522	8,694,366	635,000	2,362,763
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Water Resources Budget Control Level	C150B	17,924,673	8,265,947	8,776,459	8,553,244
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Watershed Stewardship Budget Control Level	C130B	245,079	66,481	977,486	977,486
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Department Total		979,678,530	1,094,158,623	1,168,921,529	1,167,419,094
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Department Full-time Equivalents Total*		1,460.05	1,359.05	1,359.05	1,398.55
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** FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.*

Seattle Public Utilities

Revenue Overview

2018 Estimated Revenues

Summit Code	Source	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
408000	Capital Grants and Contributions (excluding donated assets)	1,426,856	1,815,257	1,382,322	1,932,018
437010	Call Center Reimbursement from SCL	2,043,002	1,644,428	1,702,341	1,702,341
443210	GIS (N2419)	561,070	0	0	0
443510	Wastewater Utility Services	258,442,299	271,128,247	273,069,847	273,069,847
443610	Drainage Utility Services	107,826,936	118,197,223	126,968,005	126,968,005
443691	Side Sewer Permit Fees	1,615,949	1,703,946	1,703,946	1,703,946
443694	Drainage Permit Fees	519,916	285,645	285,645	285,645
461110	Build America Bond Interest Income	1,757,107	1,747,993	1,747,993	1,747,993
469990	Other Operating Revenues	346,065	422,338	426,607	426,607
469990	Transfer from Construction Fund	84,605,574	98,867,581	124,704,772	131,432,394
479010	Operating Grants	1,053,743	500,000	500,000	500,000
543210	CGDB Reimbursements (N2418)	1,573,823	0	0	2,159,788
543210	Parks & Other City Depts. (N4405)	87,900	71,363	74,440	74,440
543210	ReLeaf reimbursement - SCL	86,024	90,009	91,965	99,602
543210	SCL Fund (N4403)	199,044	796,321	821,265	821,265
543210	SDOT Fund (N4404)	2,062,856	2,471,169	2,555,941	2,555,941
543211	GF - Various GIS and Eng Services	1,532,002	968,370	984,346	1,120,950
	Total Drainage and Wastewater Fund	465,740,166	500,709,890	537,019,435	546,600,782
408000	Other Nonoperating Revenue	40,998	3,482	25,154	25,154
437010	Operating Fees, Contributions and grants	604,016	750,000	750,000	750,000
443450	Recycling Processing Revenues	5,795,770	7,061,755	7,154,782	7,154,782
443710	Commercial Services	56,180,874	58,559,132	60,168,172	60,168,172
443710	Residential Services	117,410,467	125,649,187	129,878,917	129,878,917
443741	Recycling and Disposal Station Charges	8,093,913	10,007,607	10,224,741	10,224,741
443745	Comm'l Disposal (Longhaul) Charges	1,124,006	709,266	780,267	780,267
469990	Other Operating Revenue	18,473	45,932	27,177	27,177
481200	Transfers from Construction Fund	14,788,169	9,567,350	0	0
543210	GF - Various Clean City Prgms	6,600,131	8,465,612	8,565,669	7,421,607
543210	Revenue Stabilization Subfund	-6,600,000	0	0	0

Seattle Public Utilities

705000	Call Center Reimbursement from SCL	2,043,002	1,644,428	1,702,341	1,702,341
705000	KC Reimb for Local Hzrd Waste Mgt Prgm	3,596,321	2,833,615	2,836,879	2,836,879
	Total Solid Waste Fund	209,696,140	225,297,366	222,114,099	220,970,037
408000	Other Non-Operating Revenue	412,435	1,775,508	1,360,460	448,438
408000	Reimbursable Services for External Parties	461,649	68,125	70,050	70,050
437010	Operating Grants	264,979	0	0	0
443410	Retail Water Sales	180,371,793	186,255,548	194,139,357	197,274,056
443420	GF - Public Fire Hydrant Reimbursement	8,232,366	8,512,000	8,812,000	9,540,000
443420	Water Service for Fire Protection	7,998,524	9,338,452	198,498	120,773
443420	Wholesale Water Sales	52,080,701	48,428,606	60,654,174	62,639,423
443450	Facilities Charges	979,124	911,239	450,000	450,000
443450	Tap Fees	7,837,010	6,663,516	6,746,810	6,746,810
461110	Build America Bond Interest Income	2,013,798	1,983,904	1,983,904	1,983,904
462500	Rentals--Non-City	594,819	600,720	615,738	615,738
469990	Other Operating Revenues	8,701,917	2,496,960	2,559,383	2,445,232
479010	Capital Grants and Contributions	18,393,376	4,839,712	4,901,355	12,907,729
481200	Public Works Loan Proceeds	3,562,389	3,000,000	0	0
481200	Transfers from Construction Fund	29,040,156	70,595,140	76,500,250	65,298,497
587000	Revenue Stabilization Subfund	-5,265,660	5,800,000	-3,700,000	3,000,000
587000	Revenue Stabilization Subfund - BPA Acct	0	200,000	0	200,000
705000	Call Center Reimbursement from SCL	2,104,912	1,694,259	1,753,928	1,753,928
	Total Water Fund	317,784,288	353,163,689	357,045,907	365,494,578
	Total Revenues	993,220,594	1,079,170,945	1,116,179,441	1,133,065,397
379100	Decrease (Increase) in Working Capital	-3,006,574	29,277,313	38,058,051	34,458,345
	Total Drainage and Wastewater Fund	-3,006,574	29,277,313	38,058,051	34,458,345
379100	Decrease (Increase) in Working Capital	3,498,325	-2,501,652	14,346,790	320,930
	Total Solid Waste Fund	3,498,325	-2,501,652	14,346,790	320,930
379100	Decrease (Increase) in Working Capital	-14,033,815	-11,787,983	337,247	-425,578
	Total Water Fund	-14,033,815	-11,787,983	337,247	-425,578
	Total Resources	979,678,530	1,094,158,623	1,168,921,529	1,167,419,094

Seattle Public Utilities

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.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Administration	18,886,347	12,922,523	13,364,541	15,279,478
General and Administrative Credit	-17,261,939	-11,600,414	-11,923,708	-12,090,656
Total	1,624,408	1,322,109	1,440,833	3,188,822
Full-time Equivalents Total*	68.75	19.75	19.75	29.25

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

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.

	2016	2017	2018	2018
Expenditures/FTE	Actuals	Adopted	Endorsed	Proposed
Administration	18,886,347	12,922,523	13,364,541	15,279,478
Full-time Equivalents Total	68.75	19.75	19.75	29.25

General and Administrative Credit Program

The purpose of the Drainage and Wastewater Utility's General and Administrative Credit Program is to provide appropriation for indirect cost allocation recovery, fringe overhead, and equipment depreciation.

	2016	2017	2018	2018
Expenditures	Actuals	Adopted	Endorsed	Proposed
General and Administrative Credit	-17,261,939	-11,600,414	-11,923,708	-12,090,656

Seattle Public Utilities

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.

Program Expenditures	2016	2017	2018	2018
	Actuals	Adopted	Endorsed	Proposed
Combined Sewer Overflows	48,825,598	37,290,884	39,482,646	33,136,531
Total	48,825,598	37,290,884	39,482,646	33,136,531
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 Human Resources 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.

Program Expenditures	2016	2017	2018	2018
	Actuals	Adopted	Endorsed	Proposed
Customer Service	8,521,048	10,498,664	10,758,098	10,885,954
Total	8,521,048	10,498,664	10,758,098	10,885,954
Full-time Equivalents Total*	60.50	60.50	60.50	61.50

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

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	2016	2017	2018	2018
	Actuals	Adopted	Endorsed	Proposed
Flooding, Sewer Back-up, and Landslides	10,910,900	18,646,186	32,178,536	16,565,889
Total	10,910,900	18,646,186	32,178,536	16,565,889
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 Human Resources Director actions outside of the budget process may not be detailed here.

Seattle Public Utilities

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	2016	2017	2018	2018
	Actuals	Adopted	Endorsed	Proposed
Debt Service	49,855,250	63,679,631	73,251,121	71,685,360
Other General Expenses	174,801,236	199,388,021	204,670,535	201,915,171
Taxes	49,167,369	51,274,136	52,654,747	54,520,036
Total	273,823,856	314,341,788	330,576,403	328,120,567
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 Human Resources Director actions outside of the budget process may not be detailed here.

The following information summarizes the programs in General Expense Budget Control Level:

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	2016	2017	2018	2018
	Actuals	Adopted	Endorsed	Proposed
Debt Service	49,855,250	63,679,631	73,251,121	71,685,360

Other General Expenses Program

The purpose of the Drainage and Wastewater Utility Other General Expenses Program is to appropriate funds for SPU's share of City central costs, claims, contracts, and other general expenses.

Expenditures/FTE	2016	2017	2018	2018
	Actuals	Adopted	Endorsed	Proposed
Other General Expenses	174,801,236	199,388,021	204,670,535	201,915,171
Full-time Equivalents Total	0.50	0.50	0.50	0.50

Taxes Program

The purpose of the Drainage and Wastewater Utility Taxes Program is to provide appropriation for payment of city and state taxes.

Expenditures	2016	2017	2018	2018
	Actuals	Adopted	Endorsed	Proposed
Taxes	49,167,369	51,274,136	52,654,747	54,520,036

Seattle Public Utilities

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, Utility Systems Management, DWW LOB, Solid Waste LOB, and Water LOB programs.

Program Expenditures	2016	2017	2018	2018
	Actuals	Adopted	Endorsed	Proposed
DWW LOB	40,115,750	46,061,587	46,970,685	48,843,803
Pre-Capital Planning & Development	1,522,713	2,188,339	2,119,200	1,901,273
Project Delivery	12,786,400	13,228,787	13,559,706	14,229,213
Solid Waste LOB	71,829	0	0	13,322
Water LOB	5,191,397	5,250,560	5,597,312	5,098,409
Total	59,688,089	66,729,273	68,246,903	70,086,020
Full-time Equivalents Total*	82.00	80.00	80.00	94.00

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

The following information summarizes the programs in Other Operating Budget Control Level:

DWW LOB Program

The purpose of the Drainage and Wastewater Line of Business Program is to manage sewage and stormwater to protect public health as required by the Environmental Protection Agency and state regulatory agencies. This includes efforts to inspect, clean, and maintain systems, educate customers to keep things out of the system that contribute to flooding and runoff pollution, and to ensure the system meets population growth and development needs. Costs for the Drainage and Wastewater Line of Business can apply to other utility lines of business through shared services.

Expenditures/FTE	2016	2017	2018	2018
	Actuals	Adopted	Endorsed	Proposed
DWW LOB	40,115,750	46,061,587	46,970,685	48,843,803
Full-time Equivalents Total	0.00	0.00	0.00	14.00

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.

Expenditures/FTE	2016	2017	2018	2018
	Actuals	Adopted	Endorsed	Proposed
Pre-Capital Planning & Development	1,522,713	2,188,339	2,119,200	1,901,273
Full-time Equivalents Total	0.00	-2.00	-2.00	-2.00

Seattle Public Utilities

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.

	2016	2017	2018	2018
Expenditures/FTE	Actuals	Adopted	Endorsed	Proposed
Project Delivery	12,786,400	13,228,787	13,559,706	14,229,213
Full-time Equivalents Total	81.00	81.00	81.00	81.00

Solid Waste LOB Program

The purpose of the Solid Waste Line of Business Program is to manage garbage, recycling, and yard waste collection, and to educate customers to encourage the composting of yard waste and organics, recycling, and garbage reduction. This program includes operating Seattle's two garbage and recycling transfer stations. Costs for the Solid Waste Line of Business can apply to other Utility lines of business through shared services.

	2016	2017	2018	2018
Expenditures	Actuals	Adopted	Endorsed	Proposed
Solid Waste LOB	71,829	0	0	13,322

Water LOB Program

The purpose of the Water Line of Business Program is to manage, treat, and reliably deliver high-quality drinking water. The Water Line of Business also promotes wise water use, and manages the Cedar and Tolt watersheds, dams, and water storage facilities to ensure the system meets population growth and development needs. Costs for the Water Lines of Business can apply to other utility lines of business through shared services.

	2016	2017	2018	2018
Expenditures/FTE	Actuals	Adopted	Endorsed	Proposed
Water LOB	5,191,397	5,250,560	5,597,312	5,098,409
Full-time Equivalents Total	1.00	1.00	1.00	1.00

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.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Protection of Beneficial Uses	3,421,127	9,897,378	10,283,913	11,730,529
Total	3,421,127	9,897,378	10,283,913	11,730,529
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 Human Resources Director actions outside of the budget process may not be detailed here.

Seattle Public Utilities

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.

Program Expenditures	2016	2017	2018	2018
	Actuals	Adopted	Endorsed	Proposed
Rehabilitation	18,872,736	29,774,678	36,603,112	39,088,532
Total	18,872,736	29,774,678	36,603,112	39,088,532
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 Human Resources 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.

Program Expenditures	2016	2017	2018	2018
	Actuals	Adopted	Endorsed	Proposed
Sediments	3,732,216	6,854,789	6,552,998	6,489,059
Total	3,732,216	6,854,789	6,552,998	6,489,059
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 Human Resources 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.

Program Expenditures	2016	2017	2018	2018
	Actuals	Adopted	Endorsed	Proposed
Shared Cost Projects	24,706,300	23,446,404	33,004,611	55,632,328
Total	24,706,300	23,446,404	33,004,611	55,632,328
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 Human Resources Director actions outside of the budget process may not be detailed here.

Seattle Public Utilities

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.

Program Expenditures	2016	2017	2018	2018
	Actuals	Adopted	Endorsed	Proposed
Technology	8,607,314	11,185,051	6,161,485	6,134,896
Total	8,607,314	11,185,051	6,161,485	6,134,896
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 Human Resources Director actions outside of the budget process may not be detailed here.*

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.

Program Expenditures	2016	2017	2018	2018
	Actuals	Adopted	Endorsed	Proposed
Administration	7,276,231	5,984,704	6,075,861	6,790,508
General and Administrative Credit	-3,680,840	-1,492,226	-1,490,876	-2,242,832
Total	3,595,391	4,492,478	4,584,985	4,547,676
Full-time Equivalents Total*	28.50	15.50	15.50	15.50

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

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.

Expenditures/FTE	2016	2017	2018	2018
	Actuals	Adopted	Endorsed	Proposed
Administration	7,276,231	5,984,704	6,075,861	6,790,508
Full-time Equivalents Total	28.50	15.50	15.50	15.50

Seattle Public Utilities

General and Administrative Credit Program

The purpose of the Solid Waste Utility's General and Administrative Credit Program is to provide appropriation for indirect cost allocation recovery, fringe overhead, and equipment depreciation.

	2016	2017	2018	2018
Expenditures	Actuals	Adopted	Endorsed	Proposed
General and Administrative Credit	-3,680,840	-1,492,226	-1,490,876	-2,242,832

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 programs and services.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Customer Service	10,223,678	11,879,025	12,060,301	11,359,669
Total	10,223,678	11,879,025	12,060,301	11,359,669
Full-time Equivalents Total*	86.50	86.50	86.50	86.50

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

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.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Debt Service	15,841,035	16,376,671	16,306,288	16,177,625
Other General Expenses	115,764,643	123,338,864	127,360,361	126,801,961
Taxes	21,949,874	25,967,732	27,435,605	27,449,925
Total	153,555,551	165,683,267	171,102,254	170,429,511

Seattle Public Utilities

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.

	2016	2017	2018	2018
Expenditures	Actuals	Adopted	Endorsed	Proposed
Debt Service	15,841,035	16,376,671	16,306,288	16,177,625

Other General Expenses Program

The purpose of the Solid Waste Utility Other General Expenses Program is to appropriate funds for SPU's share of City central costs, claims, contracts, and other general expenses.

	2016	2017	2018	2018
Expenditures	Actuals	Adopted	Endorsed	Proposed
Other General Expenses	115,764,643	123,338,864	127,360,361	126,801,961

Taxes Program

The purpose of the Solid Waste Utility Taxes Program is to appropriate funds for payment of city and state taxes.

	2016	2017	2018	2018
Expenditures	Actuals	Adopted	Endorsed	Proposed
Taxes	21,949,874	25,967,732	27,435,605	27,449,925

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.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
New Facilities	16,987,461	7,823,757	19,672,816	3,623,202
Total	16,987,461	7,823,757	19,672,816	3,623,202
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 Human Resources Director actions outside of the budget process may not be detailed here.

Seattle Public Utilities

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, Utility Systems Management, DWW LOB, Solid Waste LOB, and Water LOB programs.

Program Expenditures	2016	2017	2018	2018
	Actuals	Adopted	Endorsed	Proposed
DWW LOB	85,649	80,442	82,072	45,333
Pre-Capital Planning & Development	235,492	170,071	173,481	170,789
Project Delivery	1,130,951	1,232,921	1,257,535	1,293,999
Solid Waste LOB	18,159,874	21,778,290	22,301,912	24,120,746
Water LOB	570,750	469,472	477,015	292,673
Total	20,182,716	23,731,196	24,292,015	25,923,540
Full-time Equivalents Total*	2.00	6.00	6.00	11.00

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

The following information summarizes the programs in Other Operating Budget Control Level:

DWW LOB Program

The purpose of the Drainage and Wastewater Line of Business Program is to manage sewage and stormwater to protect public health as required by the Environmental Protection Agency and state regulatory agencies. This includes efforts to inspect, clean, and maintain systems, educate customers to keep things out of the system that contribute to flooding and runoff pollution, and to ensure the system meets population growth and development needs. Costs for the Drainage and Wastewater Line of Business can apply to other utility lines of business through shared services.

Expenditures/FTE	2016	2017	2018	2018
	Actuals	Adopted	Endorsed	Proposed
DWW LOB	85,649	80,442	82,072	45,333
Full-time Equivalents Total	2.00	2.00	2.00	2.00

Pre-Capital Planning & Development Program

The purpose of the Solid Waste Utility Pre-Capital Planning & Development Program is to support business case development, project plans, and options analysis for the solid waste system. This program will capture all costs associated with a project that needs to be expensed during its life cycle, including any post-construction monitoring and landscape maintenance.

Expenditures/FTE	2016	2017	2018	2018
	Actuals	Adopted	Endorsed	Proposed
Pre-Capital Planning & Development	235,492	170,071	173,481	170,789
Full-time Equivalents Total	0.00	-1.00	-1.00	-1.00

Seattle Public Utilities

Project Delivery Program

The purpose of the Solid Waste Utility Project Delivery Program is to provide engineering design and support services, construction inspection, and project management services to Solid Waste Fund capital improvement projects, and to solid waste facility managers.

	2016	2017	2018	2018
Expenditures/FTE	Actuals	Adopted	Endorsed	Proposed
Project Delivery	1,130,951	1,232,921	1,257,535	1,293,999
Full-time Equivalents Total	0.00	0.00	0.00	2.00

Solid Waste LOB Program

The purpose of the Solid Waste Line of Business Program is to manage garbage, recycling, and yard waste collection, and to educate customers to encourage the composting of yard waste and organics, recycling, and garbage reduction. This program includes operating Seattle's two garbage and recycling transfer stations. Costs for the Solid Waste Line of Business can apply to other Utility lines of business through shared services.

	2016	2017	2018	2018
Expenditures/FTE	Actuals	Adopted	Endorsed	Proposed
Solid Waste LOB	18,159,874	21,778,290	22,301,912	24,120,746
Full-time Equivalents Total	0.00	5.00	5.00	8.00

Water LOB Program

The purpose of the Water Line of Business Program is to manage, treat, and reliably deliver high-quality drinking water. The Water Line of Business also promotes wise water use, and manages the Cedar and Tolt watersheds, dams, and water storage facilities to ensure the system meets population growth and development needs. Costs for the Water Lines of Business can apply to other utility lines of business through shared services.

	2016	2017	2018	2018
Expenditures	Actuals	Adopted	Endorsed	Proposed
Water LOB	570,750	469,472	477,015	292,673

Rehabilitation and Heavy Equipment Budget Control Level

The purpose of the Solid Waste Utility Rehabilitation and Heavy Equipment Budget Control Level, a Capital Improvement Program funded by solid waste revenues, is to implement projects to repair and rehabilitate the City's solid waste transfer stations and improve management of the City's closed landfills and household hazardous waste sites.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Rehabilitation and Heavy Equipment	38,170	400,000	120,000	270,000
Total	38,170	400,000	120,000	270,000

Seattle Public Utilities

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.

Program Expenditures	2016	2017	2018	2018
	Actuals	Adopted	Endorsed	Proposed
Shared Cost Projects	1,795,714	2,921,977	2,343,914	1,893,581
Total	1,795,714	2,921,977	2,343,914	1,893,581

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.

Program Expenditures	2016	2017	2018	2018
	Actuals	Adopted	Endorsed	Proposed
Technology	6,815,783	5,864,014	2,750,610	3,243,789
Total	6,815,783	5,864,014	2,750,610	3,243,789
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 Human Resources Director actions outside of the budget process may not be detailed here.*

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.

Program Expenditures	2016	2017	2018	2018
	Actuals	Adopted	Endorsed	Proposed
Administration	20,085,443	14,802,695	15,197,278	17,042,019
General and Administrative Credit	-11,981,825	-7,198,867	-6,758,941	-7,510,262
Total	8,103,618	7,603,828	8,438,337	9,531,757
Full-time Equivalents Total*	99.10	61.10	61.10	64.10

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

Seattle Public Utilities

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.

	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Expenditures/FTE				
Administration	20,085,443	14,802,695	15,197,278	17,042,019
Full-time Equivalents Total	99.10	61.10	61.10	64.10

General and Administrative Credit Program

The purpose of the Water Utility's General and Administrative Credit Program is to provide appropriation for indirect cost allocation recovery, fringe overhead, and equipment depreciation.

	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Expenditures				
General and Administrative Credit	-11,981,825	-7,198,867	-6,758,941	-7,510,262

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 programs and services.

	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Program Expenditures				
Customer Service	10,133,473	12,343,177	12,680,694	12,657,572
Total	10,133,473	12,343,177	12,680,694	12,657,572
Full-time Equivalents Total*	86.00	86.00	86.00	86.00

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

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.

	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Program Expenditures				
Distribution	24,946,413	28,295,498	27,895,207	34,686,903
Total	24,946,413	28,295,498	27,895,207	34,686,903
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 Human Resources Director actions outside of the budget process may not be detailed here.*

Seattle Public Utilities

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.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Debt Service	83,289,590	83,472,461	85,612,088	85,734,229
Other General Expenses	24,980,055	33,674,599	34,555,663	33,664,371
Taxes	42,128,072	42,293,582	44,090,410	44,650,169
Total	150,397,717	159,440,642	164,258,161	164,048,769

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.

	2016	2017	2018	2018
Expenditures	Actuals	Adopted	Endorsed	Proposed
Debt Service	83,289,590	83,472,461	85,612,088	85,734,229

Other General Expenses Program

The purpose of the Water Utility Other General Expenses Program is to appropriate funds for SPU's share of City central costs, claims, contracts, and other general expenses.

	2016	2017	2018	2018
Expenditures	Actuals	Adopted	Endorsed	Proposed
Other General Expenses	24,980,055	33,674,599	34,555,663	33,664,371

Taxes Program

The purpose of the Water Utility Taxes Program is to appropriate funds for payment of city and state taxes.

	2016	2017	2018	2018
Expenditures	Actuals	Adopted	Endorsed	Proposed
Taxes	42,128,072	42,293,582	44,090,410	44,650,169

Seattle Public Utilities

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.

Program Expenditures	2016	2017	2018	2018
	Actuals	Adopted	Endorsed	Proposed
Habitat Conservation Program	2,040,531	2,105,933	2,606,331	1,959,331
Total	2,040,531	2,105,933	2,606,331	1,959,331
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 Human Resources 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 Water Utility's operating expenses for Field Operations, Pre-Capital Planning & Development, Project Delivery, Utility Systems Management, DWW LOB, Solid Waste LOB, and Water LOB programs.

Program Expenditures	2016	2017	2018	2018
	Actuals	Adopted	Endorsed	Proposed
DWW LOB	187,214	179,311	181,380	180,967
Pre-Capital Planning & Development	2,035,010	1,784,392	1,798,197	1,786,742
Project Delivery	7,063,900	7,215,945	7,517,759	7,493,327
Solid Waste LOB	89,787	0	0	16,652
Water LOB	48,546,216	52,483,442	52,699,804	53,093,779
Total	57,922,127	61,663,090	62,197,140	62,571,467
Full-time Equivalents Total*	26.50	23.50	23.50	30.50

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

The following information summarizes the programs in Other Operating Budget Control Level:

DWW LOB Program

The purpose of the Drainage and Wastewater Line of Business Program is to manage sewage and stormwater to protect public health as required by the Environmental Protection Agency and state regulatory agencies. This includes efforts to inspect, clean, and maintain systems, educate customers to keep things out of the system that contribute to flooding and runoff pollution, and to ensure the system meets population growth and development needs. Costs for the Drainage and Wastewater Line of Business can apply to other utility lines of business through shared services.

Expenditures/FTE	2016	2017	2018	2018
	Actuals	Adopted	Endorsed	Proposed
DWW LOB	187,214	179,311	181,380	180,967
Full-time Equivalents Total	2.00	2.00	2.00	2.00

Seattle Public Utilities

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.

	2016	2017	2018	2018
Expenditures/FTE	Actuals	Adopted	Endorsed	Proposed
Pre-Capital Planning & Development	2,035,010	1,784,392	1,798,197	1,786,742
Full-time Equivalents Total	0.00	-2.00	-2.00	-2.00

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.

	2016	2017	2018	2018
Expenditures/FTE	Actuals	Adopted	Endorsed	Proposed
Project Delivery	7,063,900	7,215,945	7,517,759	7,493,327
Full-time Equivalents Total	24.50	24.50	24.50	24.50

Solid Waste LOB Program

The purpose of the Solid Waste Line of Business Program is to manage garbage, recycling, and yard waste collection, and to educate customers to encourage the composting of yard waste and organics, recycling, and garbage reduction. This program includes operating Seattle's two garbage and recycling transfer stations. Costs for the Solid Waste Line of Business can apply to other Utility lines of business through shared services.

	2016	2017	2018	2018
Expenditures	Actuals	Adopted	Endorsed	Proposed
Solid Waste LOB	89,787	0	0	16,652

Water LOB Program

The purpose of the Water Line of Business Program is to manage, treat, and reliably deliver high-quality drinking water. The Water Line of Business also promotes wise water use, and manages the Cedar and Tolt watersheds, dams, and water storage facilities to ensure the system meets population growth and development needs. Costs for the Water Lines of Business can apply to other utility lines of business through shared services.

	2016	2017	2018	2018
Expenditures/FTE	Actuals	Adopted	Endorsed	Proposed
Water LOB	48,546,216	52,483,442	52,699,804	53,093,779
Full-time Equivalents Total	0.00	-1.00	-1.00	6.00

Seattle Public Utilities

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	2016	2017	2018	2018
	Actuals	Adopted	Endorsed	Proposed
Shared Cost Projects	18,781,828	35,633,742	38,399,445	51,027,150
Total	18,781,828	35,633,742	38,399,445	51,027,150
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 Human Resources 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	2016	2017	2018	2018
	Actuals	Adopted	Endorsed	Proposed
Technology	9,234,409	11,733,604	7,409,884	7,030,562
Total	9,234,409	11,733,604	7,409,884	7,030,562
Full-time Equivalents Total*	22.00	22.00	22.00	22.00

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

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.

Program Expenditures	2016	2017	2018	2018
	Actuals	Adopted	Endorsed	Proposed
Transmission	2,639,084	5,529,397	22,430,952	9,661,995
Total	2,639,084	5,529,397	22,430,952	9,661,995
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 Human Resources Director actions outside of the budget process may not be detailed here.*

Seattle Public Utilities

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.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Water Quality & Treatment	1,381,522	8,694,366	635,000	2,362,763
Total	1,381,522	8,694,366	635,000	2,362,763
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 Human Resources 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.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Water Resources	17,924,673	8,265,947	8,776,459	8,553,244
Total	17,924,673	8,265,947	8,776,459	8,553,244
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 Human Resources Director actions outside of the budget process may not be detailed here.*

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.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Watershed Stewardship	245,079	66,481	977,486	977,486
Total	245,079	66,481	977,486	977,486
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 Human Resources Director actions outside of the budget process may not be detailed here.*

Seattle Public Utilities

SPU Fund Table

Drainage and Wastewater Utility Fund (44010)

	2016 Actuals	2017 Adopted	2017 Revised	2018 Endorsed	2018 Proposed
Operating Cash at End of Previous Year	101,299,000	82,658,000	121,769,000	68,208,949	134,144,566
Plus: Actual and Estimated Revenues	465,740,165	500,709,890	496,712,151	537,019,435	546,600,782
Less: Actual and Budgeted Expenditures	462,733,593	529,987,204	527,523,596	575,289,538	581,059,127
Plus: Accounting and Technical Adjustments	17,463,428	14,828,263	43,187,010	19,154,813	21,458,345
Less: CIP Accomplishment Assumptions	0	0	0	0	0
Ending Operating Cash	121,769,000	68,208,949	134,144,566	49,093,659	121,144,566
Planning Reserve	0	0	0	0	0
Ending Unreserved Operating Cash	121,769,000	68,208,949	134,144,566	49,093,659	121,144,566

Solid Waste Utility Fund (45010)

	2016 Actuals	2017 Adopted	2017 Revised	2018 Endorsed	2018 Proposed
Operating Cash at End of Previous Year	30,518,000	34,371,000	36,174,435	43,498,000	39,159,855
Plus: Actual and Estimated Revenues	209,696,140	225,297,366	225,412,533	222,114,099	220,970,037
Less: Actual and Budgeted Expenditures	213,194,465	222,795,714	232,455,796	236,926,895	221,290,967
Plus: Accounting and Technical Adjustments	9,154,760	6,625,348	10,028,683	15,956,858	(12,721,631)
Less: CIP Accomplishment Assumptions	0	0	0	0	0
Ending Operating Cash	36,174,435	43,498,000	39,159,855	44,642,062	26,117,294
Planning Reserve	0	0	0	0	0
Ending Unreserved Operating Cash	36,174,435	43,498,000	39,159,855	44,642,062	26,117,294

Water Utility Fund (43000)

	2016 Actuals	2017 Adopted	2017 Revised	2018 Endorsed	2018 Proposed
Operating Cash at End of Previous Year	39,106,002	27,000,000	39,106,000	27,000,000	38,000,000

Seattle Public Utilities

Plus: Actual and Estimated Revenues	317,784,287	353,163,688	341,734,900	357,045,907	365,494,578
Less: Actual and Budgeted Expenditures	303,750,473	341,375,705	354,333,702	356,705,096	365,068,998
Plus: Accounting and Technical Adjustments	(14,033,817)	(11,787,983)	11,492,802	(1,064,042)	(7,425,580)
Less: CIP Accomplishment Assumptions	0	0	0	0	0
Ending Operating Cash	39,106,000	27,000,000	38,000,000	26,276,769	31,000,000
Planning Reserve	0	0	0	0	0
Ending Unreserved Operating Cash	39,106,000	27,000,000	38,000,000	26,276,769	31,000,000

Seattle Streetcar

Scott Kubly, Director

(206) 684-5000

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

Department Overview

The Seattle Streetcar is part of the Seattle Department of Transportation (SDOT), which operates and maintains the lines of the Seattle Streetcar. The South Lake Union line began operations in late 2007, and the First Hill line began operations in 2016. Two extensions (the Broadway Streetcar Extension and the Center City Connector) are planned in SDOT's Capital Improvement Program to complete a 5.5 mile Center City streetcar system.

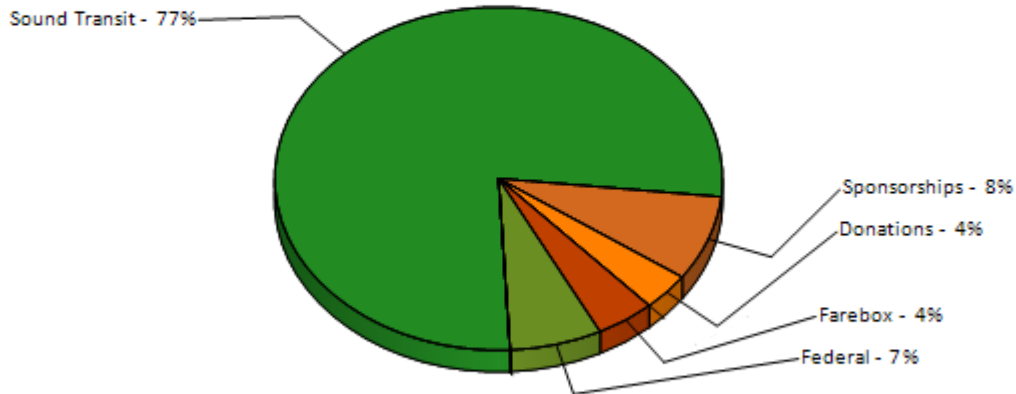
Budget Snapshot

Department Support	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Other Funding - Operating	\$6,554,175	\$6,220,000	\$5,660,000	\$5,660,000
Total Operations	\$6,554,175	\$6,220,000	\$5,660,000	\$5,660,000
Total Appropriations	\$6,554,175	\$6,220,000	\$5,660,000	\$5,660,000
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 Human Resources Director actions outside of the budget process may not be detailed here.

Seattle Streetcar

2018 Proposed Budget - Revenue by Category



Budget Overview

The Seattle Streetcar consists of two lines - the South Lake Union line and the First Hill line. The City of Seattle contracts with King County Metro to operate the streetcars. Pursuant to interlocal agreements, King County contributes about \$1.5 million annually for South Lake Union line operating costs and Sound Transit contributes \$5 million annually for First Hill line operating costs. The City pays the remaining costs to operate the streetcars. The City's share of the costs is covered by the following: streetcar fares, Federal Transit Administration funds, sponsorships, leases and contributions. The South Lake Union Streetcar is supported by a \$3.6 million interfund loan authorized by the City Council in June 2007 and amended in September 2009. The loan expires in December 2018. The streetcar financial plan includes a contribution for a capital replacement and repair fund as required by the City's agreement with Sound Transit.

Seattle Streetcar

Incremental Budget Changes

Seattle Streetcar

	2018	
	Budget	FTE
Total 2018 Endorsed Budget	\$ 5,660,000	0.00
Proposed Technical Changes		
First Hill Streetcar Technical Adjustment	\$ 0	0.00
Total Incremental Changes	\$ 0	0.00
2018 Proposed Budget	\$ 5,660,000	0.00

Descriptions of Incremental Budget Changes

Proposed Technical Changes

First Hill Streetcar Technical Adjustment

This ongoing budget-neutral adjustment corrects the budget to record operations costs for the First Hill line as professional services rather than as a capital expense. SDOT pays King County Metro to operate and maintain the streetcar.

Expenditure Overview

Appropriations	Summit Code	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
First Hill Streetcar Operations Budget Control Level	12002	5,533,581	5,475,000	4,915,000	4,915,000
South Lake Union Streetcar Operations Budget Control Level	12001	1,020,594	745,000	745,000	745,000
Department Total		6,554,175	6,220,000	5,660,000	5,660,000
Department 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 Human Resources Director actions outside of the budget process may not be detailed here.

Seattle Streetcar

Revenue Overview

2018 Estimated Revenues

Summit Code	Source	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
439090	Donation and Service Contributions - South Lake Union	211,645	221,000	229,000	229,000
	Total Donations	211,645	221,000	229,000	229,000
461110	Earnings and Losses - First Hill	33,358	0	0	0
	Total Earnings and Losses	33,358	0	0	0
444900	Farebox Revenue - First Hill	81,443	121,000	124,000	124,630
444900	Farebox Revenue - South Lake Union	141,716	105,995	109,174	150,346
	Total Farebox	223,159	226,995	233,174	274,976
471010	FTA Funds - First Hill	0	0	258,185	258,185
471010	FTA Funds - South Lake Union	54,442	364,808	172,123	172,123
	Total Federal	54,442	364,808	430,308	430,308
462500	LT Space/Facilities Leases - South Lake Union	89,340	33,750	0	0
	Total Leases	89,340	33,750	0	0
444900	Other Contributions - First Hill	510,628	0	0	0
	Total Other Contributions	510,628	0	0	0
444900	Sound Transit Funds - First Hill	5,000,000	5,000,000	5,000,000	5,000,000
	Total Sound Transit	5,000,000	5,000,000	5,000,000	5,000,000
439090	Sponsorship - First Hill	127,354	150,000	200,000	200,000
444900	Sponsorships - South Lake Union	300,618	242,562	249,838	317,440
	Total Sponsorships	427,972	392,562	449,838	517,440
	Total Revenues	6,550,544	6,239,115	6,342,320	6,451,724
317900	Use of (Contribution to) Fund Balance	3,631	-19,115	-682,320	-791,724
	Total Fund Balance	3,631	-19,115	-682,320	-791,724
	Total Resources	6,554,175	6,220,000	5,660,000	5,660,000

Seattle Streetcar

Appropriations By Budget Control Level (BCL) and Program

First Hill Streetcar Operations Budget Control Level

The purpose of the First Hill Streetcar Operations Budget Control Level is to operate and maintain the First Hill Seattle Streetcar.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
First Hill Streetcar	5,533,581	5,475,000	4,915,000	4,915,000
Total	5,533,581	5,475,000	4,915,000	4,915,000

South Lake Union Streetcar Operations Budget Control Level

The purpose of the South Lake Union Streetcar Operations Budget Control Level is to operate and maintain the South Lake Union Seattle Streetcar.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
South Lake Union Streetcar Operations	1,020,594	745,000	745,000	745,000
Total	1,020,594	745,000	745,000	745,000

Streetcar Fund Table*

Streetcar Fund (10800)

	2016	2017	2017	2018	2018
	Actuals	Adopted	Revised	Endorsed	Proposed
Beginning Fund Balance	-3,188,413	-2,934,000	-3,192,044	-2,914,885	-3,172,929
Accounting and Technical Adjustments	0	0	0	0	0
Plus: Actual and Estimated Revenues	6,550,544	6,239,115	6,239,115	6,342,320	6,451,724
Less: Actual and Budgeted Expenditures	6,554,175	6,220,000	6,220,000	5,660,000	5,660,000
Ending Fund Balance	-3,192,044	-2,914,885	-3,172,929	-2,232,565	-2,381,205
Capital Replacement and Repair Reserve	0	100,000	100,000	600,000	600,000
Total Reserves	0	100,000	100,000	600,000	600,000
Ending Unreserved Fund Balance	-3,192,044	-3,014,885	-3,272,929	-2,832,565	-2,981,205

*Note: This includes funds 10810, 10820 and 10821.

Seattle Department of Transportation

Scott Kubly, Director

(206) 684-5000

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

Department Overview

The Seattle Department of Transportation (SDOT) develops, maintains, and operates a transportation system that promotes the safe and efficient mobility of people and goods, and enhances the quality of life, environment, and economy of Seattle and the surrounding region. The City's transportation infrastructure is estimated to be approximately \$20 billion, including:

- 1,547 lane-miles of arterial streets;
- 2,407 lane-miles of non-arterial streets;
- 119 bridges;
- 509 stairways;
- 587 retaining walls;
- 22 miles of seawalls;
- 215 traffic cameras;
- 1,077 signalized intersections;
- 338 miles of on-street bicycle facilities;
- 40,000 street trees;
- 1,736 pay stations;
- 29,797 curb ramps;
- more than 184,000 signs; and
- 110 acres of SDOT managed landscape areas.

The SDOT budget covers three major lines of business:

The **Transportation Capital Improvement Program** includes the major maintenance and replacement of SDOT's capital assets; the program also develops and constructs additions to the City's transportation infrastructure. The program includes the Major Maintenance/Replacement, Major Projects, and Mobility-Capital Budget Control Levels (BCLs).

Operations and Maintenance covers day-to-day operations and routine maintenance that keep people and goods moving throughout the City, which includes operating the City's movable bridges and traffic signals, cleaning streets, repairing potholes, issuing permits, maintaining trees, and planning and engineering transportation. The six BCLs in this area are: Bridges and Structures; Engineering Services; Mobility-Operations; Right-of-Way Management; Street Maintenance; and Urban Forestry.

Business Management and Support provides overall policy direction and business support for SDOT and includes the Department Management and General Expense BCLs.

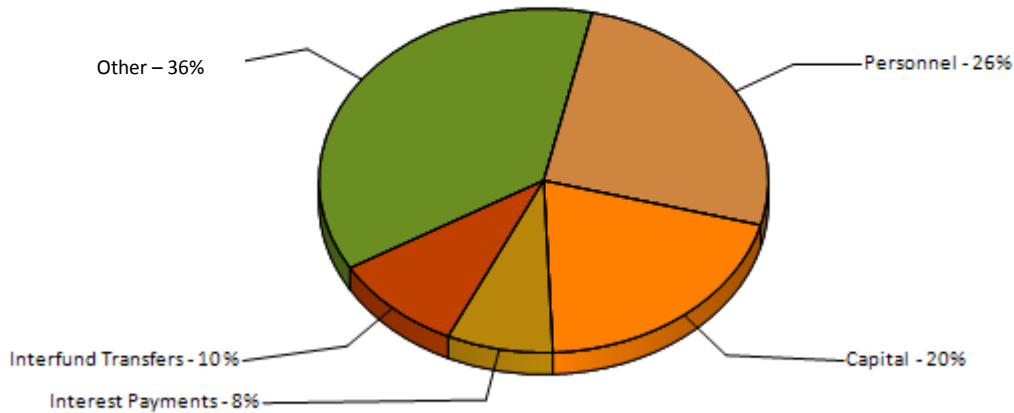
Seattle Department of Transportation

Budget Snapshot

Department Support	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
General Fund Support	\$45,507,611	\$42,966,162	\$41,608,394	\$41,903,976
Other Funding - Operating	\$382,777,235	\$405,414,566	\$523,624,517	\$430,496,015
Total Operations	\$428,284,846	\$448,380,728	\$565,232,911	\$472,399,991
Total Appropriations	\$428,284,846	\$448,380,728	\$565,232,911	\$472,399,991
Full-time Equivalent Total*	844.00	885.50	885.50	917.50

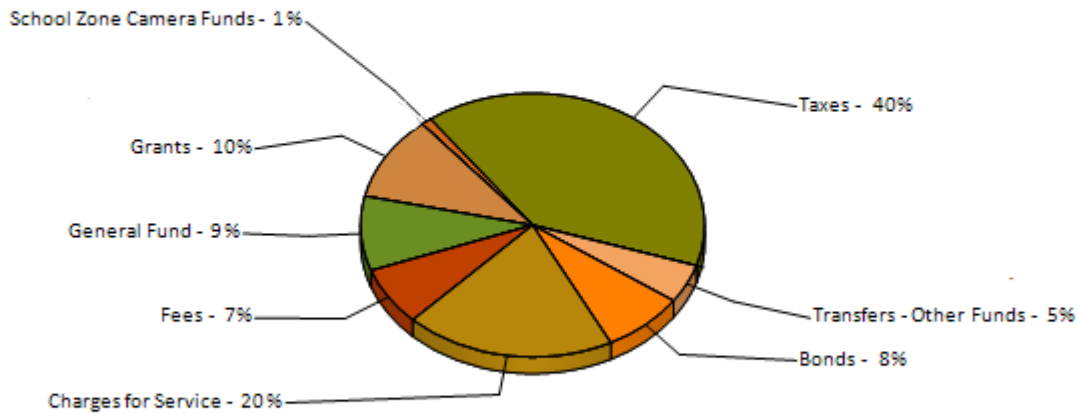
* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

2018 Proposed Budget - Expenditure by Category



Seattle Department of Transportation

2018 Proposed Budget - Revenue by Category



Budget Overview

The City of Seattle is one of the fastest growing large cities in America. While this growth provides great opportunities for economic development, it also places significant pressure on the transportation system. Within this context of growth and increasing density the 2018 Proposed Budget supports investments that enhance environments for walking, biking, riding transit, driving and moving freight based on geographic equity and community need. Specifically, resources are focused on maintaining existing assets, enhancing effective management of the right of way (ROW), and strengthening SDOT operations in the areas of technology, performance and facilities. All proposed budget investments are intended to further integrate SDOT's master plans, establish a fully connected and integrated rail system, and continue to implement a comprehensive Move Seattle strategy that maintains and expands the City's transportation infrastructure. Effective management of the City's ROW invests in technology that allows for strategic planning, flexibility in managing parking and pricing, and improving employee safety. As part of addressing the needs of individuals experiencing homelessness, the budget identifies SDOT funding of encampment cleanup that will support the City's efforts to address unsheltered individuals living in the right-of-way.

The department is also looking inward - innovating and improving outcomes - so that work reflects new ways to address long-standing challenges in a cost-effective manner. All investments are prioritized based on safety, need, regulatory requirements and policies established by the City.

Maintaining Existing Assets

In addition to significant amounts of Move Seattle revenue budgeted for 2018, funding is provided for work that will improve mobility and avoid larger future costs by addressing problems when they are manageable. The

Seattle Department of Transportation

budget specifically addresses the following one-time needs:

- Sidewalk Repair - SDOT is currently conducting a comprehensive Sidewalk Condition Assessment. In anticipation of additional needed repair work, the proposed budget includes additional funding to maintain sidewalks in the right-of-way damaged by street trees, or where there are serious safety concerns as evidenced by claims or service requests.
- Landslide Response - Every year, several landslides occur that affect the City's right-of-way during the wet weather season. The budget includes funding to address landslides that may occur in 2018.
- Arterial Paving - SDOT has identified a backlog of 551 lane-miles of major maintenance work, which will cost \$970 million to repair. These are typically repairs that are larger than a pothole, but too small to warrant a specific contracted bidding package. This budget provides one-time funding to address deteriorated pavement.

Strengthening SDOT Operations: Technology, Performance and Facilities

Funding is provided for:

- ORCA on the Monorail - The 2018 Proposed Budget includes a one-time allocation to purchase capital equipment necessary to implement ORCA on the monorail.
- Bridge System Enhancements - The budget includes a one-time investment of \$3,000,000 for SDOT to pilot automation of one of Seattle's movable bridges during 2018. Such a system would allow some or all the movable bridges to be opened from a single remote location, creating savings through operational efficiencies.
- Expanding Data Analytics - Provide funding to support expanding SDOT's data analytic capabilities on a pilot basis. The expanded team will conduct a data assessment and create a roadmap to understand key gaps in available data, analytical tools, and internal processes.
- Parking Availability Data and Application Program Interface (API) - SDOT operates a performance-based parking system which encompasses more than 12,000 parking spaces in 30 different parking areas. This funding allows SDOT to continue work on analytic parking occupancy model to better predict available parking and finish build-out of an external facing map of parking availability data.
- Medgate Safety Management - Fund implementation of Medgate safety management software to better manage workplace safety.
- Hardware Investments - The proposed budget supports a replacement schedule of five years, or 20% of the tablets within SDOT.
- Emerging Transportation Technology Strategic Plan - This item funds the development of a strategic plan for transportation-related technology improvements which will guide future investments in transportation technology.
- Operations Facility Consolidation - SDOT field operations and maintenance divisions would gain measurable efficiencies from a single, consolidated facility. Funding is provided for a feasibility analysis of relocation of SDOT field operations into a single, consolidated facility.

Seattle Department of Transportation

Enhancing Effective Management of the Right of Way (ROW)

As growth continues in Seattle, SDOT is realigning existing programs and working closely with other City departments to address changing land use patterns. Increased participation in advanced planning on major projects with Seattle Department of Construction and Inspections (SDCI) warrants additional resources in SDOT that support more efficient use of the existing infrastructure to reduce mobility impacts and ensure that major projects deliver the infrastructure needed to support the City's growth. In addition, street use rate and fees increases in 2018 will bring the program closer to achieving full cost recovery.

- Sustained, Integrated Citywide Response for Individuals Living Unsheltered - The 2018 Proposed Budget includes ongoing funding in SDOT to support encampment clean-up in the ROW by the Parks Department. To assist in this response, one-time funding is provided for equipment purchase required to support an expanded program.
- Development Review Project Manager - Due to the increased level of development in the City, funding is provided for a manager position to work closely with SDCI during the Master Use Permitting (MUP) process and to evaluate and mitigate transportation impacts.
- University District HUB Coordinator - The proposed budget expands the HUB coordination office to serve the University District with addition of an engineer who will work with contractors to address scheduling concerns and manage the day-to-day conflicts among construction projects.
- Shoreline Street Ends Project Coordinator - The proposed budget includes ongoing funding for a half-time FTE to coordinate and administer SDOT's shoreline street ends program. It is expected that this coordination and administration will yield more permit fee revenue for the City.

Transportation Revenues

The 2018 Proposed Budget uses several funding sources and increased revenues to support transportation infrastructure maintenance. Sources include federal, state and local grants; bonds; Move Seattle property levy proceeds; commercial parking tax; vehicle license fees; fees for service; real estate excise taxes; street vacations; gas tax; multimodal funds, property sales proceeds; school zone camera tickets; red light camera tickets; and an annual allocation from the City's General Fund.

The gas tax revenues are increasing in 2018 due to state legislative changes. Additionally, commercial parking tax revenues have been adjusted to reflect growth. These revenues are leveraged to back bond financing of both seawall/waterfront program items and general transportation needs including the center city connector streetcar. Continued investments of Real Estate Excise Tax (REET) support SDOT's Capital Improvement Program (CIP), allowing for increased funding in 2018 for infrastructure maintenance, preservation and expansion primarily focused on the central waterfront and general transportation projects.

The proposed budget provides SDOT with \$41.9 million in General Funds and \$430 million from other funding sources in 2018. The total funds represent a \$24 million (5%) increase relative to the 2017 Adopted Budget and the General Fund amount keeps SDOT at the legally required minimum for Move Seattle.

The table below summarizes the Move Seattle Levy capital and operations investments in the 2018 Proposed Budget and the total planned allotment for the nine years of the levy.

Seattle Department of Transportation

Move Seattle Category	2018 Proposed	Total 9-Year Levy
Safe Routes	\$28,435,567	\$207,000,000
Vision Zero	\$7,489,633	\$71,000,000
Pedestrian and Bike Safety	\$16,110,600	\$110,000,000
Neighborhood Projects	\$4,835,334	\$26,000,000
Maintenance and Repair	\$31,791,969	\$420,000,000
Maintain Streets	\$11,341,500	\$250,000,000
Bridges and Structures	\$17,972,649	\$140,000,000
Urban Forestry and Drainage	\$2,477,820	\$30,000,000
Congestion Relief	\$55,603,431	\$303,000,000
Corridor Mobility Improvements	\$42,723,131	\$169,000,000
Light Rail Partnership Improvements	\$0	\$27,000,000
Pedestrian and Bike Improvements	\$5,880,300	\$68,000,000
Freight Mobility Improvements	\$7,000,000	\$39,000,000
Grand Total	\$115,830,967	\$930,000,000

CIP Staged Oversight Proviso

The City is developing a more consistent approach to the planning, budgeting, design and delivery of capital projects with the goal of improving the overall quality, responsiveness, and success at meeting project schedules and budgets. As part of this effort, the proposed budget will pilot two projects by placing spending restrictions on them. For SDOT, the pilot project is the Delridge Multimodal Corridor Project where spending will be restricted until Seattle Department of Transportation reports to the Sustainability & Transportation Committee, or its successor committee, on the 10% design baseline package in a format requested by that committee's chair. For more information see the 2018-2023 Proposed CIP.

Budget Performance Measures

SDOT participated in the Budget Performance Measures pilot. This pilot explores use of the annual budget book to discuss and display performance measures and related financial information for City departments. A more in-depth description of this pilot and its objectives can be found in the Budget Performance Measures section in the 2018 Proposed Budget introduction.

As part of this project, SDOT worked with the City Budget Office to:

1. identify and present service area workload performance measures;
2. present actual and estimated achievements for each measure; and
3. present specific budgetary appropriations and position authorities associated with each measure, as appropriate.

The Budget Performance Measures section in the 2018 Proposed Budget introduction contains detailed descriptions of SDOT's performance measures, including:

Seattle Department of Transportation

- provide timely and efficient repair of potholes;
- increase transit access;
- Move Seattle Levy: Pavement condition; and
- reduce polluted runoff from roads through comprehensive street sweeping.

Incremental Budget Changes

Seattle Department of Transportation

	2018	
	Budget	FTE
Total 2018 Endorsed Budget	\$ 565,232,911	885.50
Baseline Changes		
Citywide Adjustments for Standard Cost Changes	\$ 305,335	0.00
Proposed Changes		
Maintaining Existing Assets	\$ 3,500,000	0.00
ORCA on the Monorail	\$ 500,000	0.00
Bridge System Enhancements	\$ 3,000,000	0.00
Expand Data Analytics	\$ 300,000	0.00
Enhance IT Capacity	\$ 1,295,416	0.00
Operations Facility Consolidation	\$ 500,000	0.00
King Street Station Third Floor Tenant Improvements	\$ 3,400,000	0.00
Roosevelt Multimodal Corridor	\$ 2,856,000	0.00
Sustained and Integrated Citywide Response for Individuals Living Unsheltered	\$ 1,300,000	0.00
Permit-Related Staffing	\$ 451,983	2.00
Market to MOHAI	\$ 500,000	0.00
Seattle Transportation Benefit District Adjustments	\$ 3,216,247	0.00
Open Streets Program	-\$ 150,000	0.00
Traffic Signal Operations	\$ 783,065	0.00
Debt Service Update	-\$ 1,292,789	0.00
Proposed Technical Changes		
Mid-Year Budget Changes	\$ 144,100	30.00
CIP Technical Adjustment	-\$ 132,439,536	0.00
Operations and Maintenance Adjustments	\$ 11,967,859	0.00
Street Use Adjustment	\$ 7,029,400	0.00
Collision Evaluation Adjustment	\$ 0	0.00
Total Incremental Changes	-\$ 92,832,920	32.00

Seattle Department of Transportation

2018 Proposed Budget

\$ 472,399,991 917.50

Descriptions of Incremental Budget Changes

Baseline Changes

Citywide Adjustments for Standard Cost Changes - \$305,335

Citywide technical adjustments made in the baseline phase reflect changes to internal services costs, health care, and industrial insurance charges for the department. These adjustments reflect initial assumptions about these costs and inflators early in the budget process.

Proposed Changes

Maintaining Existing Assets - \$3,500,000

SDOT's budget includes the following package of one-time Real Estate Excise Tax investments to maintain its transportation assets:

- Sidewalk Repair - \$2,000,000: Seattle has 34,000 blocks of sidewalks, totaling just over 2,300 miles. SDOT has a base budget of \$1.7 million annually to support the Sidewalk Repair Program (SSR). The SSR program is maintain sidewalks in the right-of-way damaged by street trees, or where there are serious safety concerns as evidenced by claims or service requests. The 2017 Adopted and 2018 Endorsed budget included \$400,000 for SDOT to complete a comprehensive sidewalk assessment, and the results of that work will be available in the fall of 2017. As part of the assessment work, SDOT will develop a prioritization model which will inform how funds are targeted.
- Landslide Response - \$1,000,000: Every year, several landslides occur that affect the city's right-of-way during the wet weather season. The response to most of these landslides is to remove the debris, monitor the site, and provide erosion control. To address slides that may occur in 2018, the proposed budget includes a one-time investment of Real Estate Excise Taxes. This investment is two and a half times greater than SDOT's \$400,000 base budget for landslide response.
- Arterial Paving - \$500,000: Heavy use and winter weather take their toll on city streets. SDOT's Arterial Major Maintenance program addresses deteriorated pavement and uses City crews to pave one to three street blocks. The 2018 Proposed Budget includes a one-time investment of Real Estate Excise Taxes to augment the \$4.9 million base budget for this program.

ORCA on the Monorail - \$500,000

The [monorail](#) connects Seattle Center to downtown's Westlake Center mall. It is owned by the City of Seattle but does not participate in the regional electronic fare payment method known as the [ORCA card](#). The 2018 Proposed Budget includes a one-time allocation of vehicle license fees to purchase capital equipment that is necessary to implement ORCA on the monorail. In order to accept ORCA fare payments on the monorail, the City needs to enter into an affiliate agreement with King County Metro or another ORCA participating agency.

Bridge System Enhancements - \$3,000,000

The City operates five movable bridges that open approximately 15,400 times annually. To operate these bridges, SDOT employs 23 bridge operators who operate the bridges 24/7. The proposed budget includes a one-time commercial parking tax allocation to pilot automation of one of Seattle's movable bridges during 2018. This investment includes a remote operations location as well as communication and video enhancements. If the pilot

Seattle Department of Transportation

is successful, it will take three to five years to automate all the City's movable bridges and could result in approximately \$1 million in annual cost savings as well as reduce or eliminate unnecessary bridge openings.

Expand Data Analytics - \$300,000

The 2018 Proposed Budget includes funding to establish a team dedicated to innovation and leveraging current and new data to make better decisions on emerging transportation-related issues. This item would add one temporary staff person, and a fellowship position to create a new mobility data analytics team on a pilot basis. SDOT collects and manages a variety of different types of data including the following: parking usage and time flows; transit boarding; transit payments; bicycle and pedestrian counts; and other data. The team will conduct a data assessment and create a roadmap to understand key gaps in available data, analytical tools, and internal processes. The new mobility data analytics team will focus on understanding recent advancements in transportation technology and drive innovative new pilots, projects, and internal business processes to ensure SDOT operates more effectively and efficiently and properly responds to changing right-of-way demands. (Indirect cost center; one-time)

Enhance IT Capacity - \$1,295,416

The 2018 Proposed Budget provides support for the following SDOT-specific IT initiatives: "

- Parking Availability Data and Application Program Interface (API)

SDOT operates a performance based parking system which encompasses more than 12,000 parking spaces in 30 different parking areas. Parking rates are set using data to meet performance goals such that one to two parking spaces are open and available on each blockface throughout the day. SDOT currently relies on annual parking study to manually document parking activity in all paid areas. This funding will allow SDOT to continue work on analytic parking occupancy model which will better predict available parking. This work will also include the build-out of an external facing map of parking availability data. (Indirect cost center 75% and CPT 25%; \$528,000 one-time)

- Medgate Safety Management

SDOT safety operations oversee safety and health compliance for approximately 450 field staff. Currently SDOT manually tracks incidents, and any needed mitigation in Word documents and Excel spreadsheets. This item funds the implementation of Medgate safety management software to better manage workplace safety. (Indirect cost center; \$371,930 one-time; \$71,314 ongoing)

- Hardware Investments

Most City IT costs are paid for out of the Seattle Information Technology Department (Seattle IT) budget and billed back to departments either through a rate or a direct bill. However, tablets such as i-Pads or Microsoft Surfaces, are not included in the Seattle IT rates, and departments must budget and pay for tablets separately. The proposed budget supports a replacement schedule of five years, or 20% of the tablets within SDOT. (Indirect cost center; \$82,896 one-time)

- Emerging Transportation Technology Strategic Plan Advancements in transportation technology have the potential to impact all modes of travel in Seattle. This item funds the development of a strategic plan for transportation-related technology improvements. This plan will guide future investments in transportation technology. (Indirect cost center; \$312,579 one-time)

Operations Facility Consolidation - \$500,000

SDOT currently has operations and maintenance field crews located at several facilities around the city including the following locations: Charles St., West Seattle, Haller Lake, Fremont, and Sunny Jim. Many of the facilities are

Seattle Department of Transportation

overcrowded and the existing infrastructure no longer supports the ability to mobilize SDOT incident management responses. This funding supports a feasibility analysis to study the relocation of field operations into a single, consolidated facility. (Indirect cost center; one-time)

King Street Station Third Floor Tenant Improvements - \$3,400,000

King Street Station is an historic structure owned by the City of Seattle. The transportation department is responsible for operating and maintaining the building. King Street Station was renovated to restore the building's historic grandeur, upgrade the facilities and enhance safety for Amtrak passengers. However, the second and third floors of the building are not currently suitable for occupation. The proposed budget includes \$3.4 million of bond proceeds to renovate the third floor and allow the Office of Arts and Culture to use the space for cultural programming. This funding augments \$1 million that was provided for this work during 2017. Admission tax receipts will be used to pay these renovation costs as well as future utility and rent costs.

Roosevelt Multimodal Corridor - \$2,856,000

In order to compete for a Federal Small Starts grant, the 2018 Proposed Budget accelerates the funding for the Roosevelt Multimodal Corridor project. The Federal Transit Administration (FTA) has asked that the City show \$4.3 million in available funds to complete the project development phase during 2017 and 2018. Therefore, \$3.3 million of Move Seattle Levy dollars are being transferred from the Transit Corridor Improvements project, Arterial Asphalt and Concrete project, and the Rainier/Jackson Multimodal Corridor to the Roosevelt Multimodal Corridor project. Of this amount, \$500,000 will be transferred in the 4th Quarter Supplemental Budget Ordinance. This, combined with \$1 million of SDOT's 2016 allocation for this project, will meet the FTA requirements to fully fund the project development phase.

Sustained and Integrated Citywide Response for Individuals Living Unsheltered - \$1,300,000

To address concerns from human service advocates and individuals experiencing homelessness, business districts, and neighborhoods, the City convened the Task Force on Unsanctioned Encampment Protocols in late 2016 to evaluate the City's response to the growing number of individuals living unsheltered. The task force made a series of recommendations to modify how City departments engage with individuals living in encampments. In February 2017, the City opened the Emergency Operations Center and convened City departments to speed implementation of these recommendations and create a focused, integrated and sustainable Citywide response.

The 2018 Proposed Budget provides funding for this response in several City departments, focused around three key areas:

- creating safer places for individuals living unsheltered;
- connecting individuals living unsheltered with services; and
- reducing the impact of living unsheltered on individuals and the surrounding environment.

The 2018 Proposed SDOT budget includes the following items to support the City's effort to address unsheltered individuals living in the right-of-way:

- an ongoing annual transfer of SDOT's entire \$200,000 of base funding for encampment site remediation to the Department of Parks and Recreation;
- an ongoing annual transfer of \$800,000 of commercial parking tax to the Department of Parks and Recreation for expanded response; and
- a one-time investment of gas tax from SDOT's budget to purchase equipment necessary to support the expanded program.

Additional funding in the 2018 Proposed Budget related to this Citywide response is part of a single program implemented by multiple departments. For additional information, see the 2018 Proposed Budget Executive Summary in the Introduction section of this proposed budget.

Seattle Department of Transportation

Permit-Related Staffing - \$451,983/2.00 FTE

The 2018 Proposed Budget increases staffing to address permit-related activities in the following ways:

- Development Review Project Manager-\$140,000/0.5FTE - SDOT works closely with the Seattle Department of Construction and Inspections (SDCI) during the Master Use Permitting (MUP) process to evaluate and mitigate transportation impacts. In 2016 SDOT formalized a development review program, and dedicated two FTEs to this work. Prior to 2016 review was done on an ad hoc basis. Due to the increased level of development in the city, SDOT needs additional staffing to support this program.
- University District HUB Coordinator - \$281,600/1.0 FTE - The construction activity associated with growth in the University District has impacts to the City's infrastructure and the mobility of the traveling public. The 2018 Proposed Budget includes an ongoing investment of street use fees to fund an engineer who will work with contractors to address scheduling concerns and manage the day-to-day conflicts among construction projects. The engineer will also work with other government entities to limit right-of-way closures and minimize travel interruptions.
- Shoreline Street Ends Project Coordinator - \$30,383/0.5 FTE - The proposed budget includes ongoing funding for a half-time FTE to coordinate and administer SDOT's shoreline street ends program. This employee will be responsible for capital project development and implementation, public outreach and community engagement, volunteer management, collaboration with partners, addressing illegal encroachments, and enforcing permit rules. In the past, this work was performed by a temporary employee. This position is funded by shoreline street end permits. It is anticipated that the work of this employee will result in an additional \$100,000 of permit fee revenue.

Market to MOHAI - \$500,000

As the population of the City continues to grow, and density increases, there is a significant increase in pedestrian traffic in the downtown area. This increase in pedestrian traffic is particularly seen in the Belltown, Denny Triangle and South Lake Union (SLU) neighborhoods. The Market to MOHAI project will include pedestrian improvements on Thomas St., 9th Ave, and Bell St. The City investment seeks to complement streetscape amenities provided by developers. (REET II; one-time)

Seattle Transportation Benefit District Adjustments - \$3,216,247

Seattle Transportation Benefit District's Proposition One was approved by Seattle voters in November 2014. The measure includes a \$60 vehicle license fee and a 0.1% increase in the sales tax. Funds are used to purchase King County Metro transit service hours, administer a \$20 vehicle license fee rebate for income-qualified individuals, and provide up to \$2 million annually for low-income access to transit. The low-income access to transit program includes funding to support the ORCA LIFT program, bus passes for income-qualified students, and the Downtown Circulator Service. The proposed budget makes minor ongoing changes to these programs, including:

- an additional 2,200 annual purchase of Metro Transit service hours;
- an additional 3,157 annual purchase of regional partnership service hours;
- a \$267,000 reduction to the vehicle license fee program to align the program with the number of rebates requested;
- a shifting of costs within the low-income access to transit program; and
- a technical adjustment to restore funding that was inadvertently omitted from the 2018 baseline budget. This includes \$3.2 million for transit service purchases a \$235,000 for administration costs. It also includes a \$700,000 reduction for regional partnerships.

Seattle Department of Transportation

Open Streets Program - (\$150,000)

The 2018 Proposed Budget changes the focus of SDOT's Summer Streets program. The goal is to transition to an Open Streets program and work directly with neighborhood business districts to develop one large event annually as well as to implement smaller public activation events that are supported by outside funding. As a result, commercial parking tax funding is reduced on an ongoing basis.

Traffic Signal Operations - \$783,065

During implementation of the Move Seattle budget, levy funding that supports traffic engineers was inadvertently shifted from the traffic signals operations budget. The proposed budget restores this ongoing item with gas tax revenues.

Debt Service Update - (\$1,292,789)

The 2018 Proposed Budget updates debt service to reflect current capital spending plans, including changes reflecting in reduction in Center City Streetcar bond issuance and a shift from General Fund backed debt to commercial parking tax backed debt for pay stations.

Proposed Technical Changes

Mid-Year Budget Changes - \$144,100/30.00 FTE

This ongoing adjustment reflects changes made through supplemental budget legislation since the last adopted budget. This adjustment for the transportation budget includes \$144,000 of ongoing street use fees to support a Strategic Advisor in the Office of Economic Development, 30 positions to support the Move Seattle Levy and Sound Transit 3 efforts as authorized by [Ordinance 125318](#), and a budget-neutral transfer of \$555,224 from the stairway rehabilitation program that moves funding from the operating budget to the capital budget.

CIP Technical Adjustment - (\$132,439,536)

The one-time Capital Improvement Program technical adjustment aligns the budget with the 2018 Proposed Capital Improvement Program.

Operations and Maintenance Adjustments - \$11,967,859

The most significant changes in the one-time O&M technical adjustment are to align the 2018 Proposed budget for reimbursable work. The largest items in this category are a \$13 million adjustment for Department of Parks and Recreation-funded work on the Central Waterfront piers, a \$1 million increase for utility cut work and a \$1 million increase in the residential parking zone cost center. The largest non-reimbursable item is a \$2.6 million increase to the Department Management program for overhead and training costs for new staff to support the Move Seattle Levy and work on Sound Transit 3; these staffing additions occurred mid-year via Ordinance 125318. In addition, there is a \$1.8 million increase in City Central Costs including costs for FAS and Seattle IT. Some of these costs are offset by indirect cost recovery.

Street Use Adjustment - \$7,029,400

This one-time technical adjustment re-aligns the street use cost center budget to accurately account for current expenses and address historically high permit volumes, including \$533,000 for overtime, \$3.6 million for temporary labor, and \$4 million for indirect cost recovery; some of these increases are offset by reductions in other activities. The funding source is street use fees generated by permit issuances.

Seattle Department of Transportation

Collision Evaluation Adjustment

This ongoing budget-neutral adjustment moves the collision evaluation program from SDOT's Mobility-Capital BCL to its Mobility-Operations BCL. This program identifies locations that have high numbers of collisions and identifies improvements to enhance safety at these locations. Improvements identified by this program are paid for from other programs and typically involve signal modifications, sign changes, and striping changes. The funding for this item is \$123,000 gas tax and \$52,000 Move Seattle Levy.

Seattle Department of Transportation

Expenditure Overview

Appropriations	Summit Code	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Bridges & Structures Budget Control					
Bridge Operations		3,269,784	3,572,293	3,666,444	3,666,445
Structures Engineering		992,160	917,607	938,379	938,380
Structures Maintenance		5,604,814	7,270,492	7,415,988	6,864,667
Total	17001	9,866,757	11,760,392	12,020,811	11,469,492
Department Management Budget Control					
Director's Office		2,224,429	2,509,644	2,560,680	2,313,611
Division Management		10,146,005	7,599,654	7,785,839	11,677,094
Human Resources		573,236	1,060,604	1,082,800	949,067
Indirect Cost Recovery - Department Management		-33,703,357	-31,279,855	-31,885,076	-36,160,318
Public Information		752,503	585,110	600,567	751,111
Resource Management		20,471,370	19,511,488	20,439,295	20,767,298
Revenue Development		469,831	488,870	501,987	501,986
Total	18001	934,017	475,515	1,086,092	799,849
Engineering Services Budget Control Level	17002	5,846,144	3,776,353	3,810,130	17,031,663
General Expense Budget Control					
City Central Costs		22,826,616	34,649,172	32,098,624	35,709,706
Debt Service		24,975,188	30,290,326	34,926,401	33,633,612
Indirect Cost Recovery - General Expense		-22,529,470	-30,374,593	-30,792,683	-35,709,706
Judgment & Claims		3,250,869	2,983,510	2,590,087	2,590,087
Total	18002	28,523,204	37,548,415	38,822,429	36,223,699
Major Maintenance/Replacement Budget Control					
Bridges & Structures		19,428,904	20,234,733	31,965,880	21,773,046
Landslide Mitigation		497,566	427,000	440,000	1,439,999
Roads		28,605,028	39,475,808	31,559,500	17,354,500
Sidewalk Maintenance		1,703,451	1,530,000	1,560,600	3,560,599
Signs, Signals and Markings		0	1,492,576	1,525,683	1,525,683
Trails and Bike Paths		1,415,046	10,165,000	13,180,000	1,000,001
Total	19001	51,649,994	73,325,117	80,231,663	46,653,828
Major Projects Budget Control					
Alaskan Way Viaduct and Seawall Replacement		95,036,957	72,481,358	36,459,642	36,459,642
First Hill Streetcar		4,529,401	0	0	0
Magnolia Bridge Replacement		0	0	0	0
Mercer Corridor		264,841	0	0	0

Seattle Department of Transportation

Mercer West		2,104,992	0	0	0
Spokane Street Viaduct		8,087	0	0	0
SR-520		491,914	1,065,585	681,445	931,446
Total	19002	102,436,192	73,546,943	37,141,087	37,391,088
Mobility-Capital Budget Control					
Corridor & Intersection Improvements		27,627,756	18,090,197	15,985,671	19,771,982
Freight Mobility		4,340,427	18,700,000	67,900,000	23,500,001
Intelligent Transportation System		7,525,094	2,800,000	2,800,000	2,800,000
Neighborhood Enhancements		9,831,387	3,267,000	13,760,000	19,482,181
New Trails and Bike Paths		12,666,129	0	2,000,000	17,110,731
Sidewalks & Pedestrian Facilities		11,915,018	25,176,523	18,322,104	17,414,328
Transit & HOV		12,223,658	18,732,271	112,189,695	47,899,769
Total	19003	86,129,469	86,765,991	232,957,470	147,978,992
Mobility-Operations Budget Control					
Commuter Mobility		14,429,898	15,330,502	13,788,803	15,217,477
Neighborhoods		2,884,160	3,494,883	3,294,715	3,305,978
Parking		9,244,553	12,412,263	12,543,873	13,390,163
Signs & Markings		3,321,237	3,388,117	3,462,814	3,453,100
Traffic Signals		9,255,496	10,034,219	10,242,491	11,525,262
Transit Operations		41,240,079	48,083,083	47,769,547	50,985,794
Total	17003	80,375,423	92,743,067	91,102,243	97,877,774
ROW Management Budget Control Level	17004	31,390,892	32,850,996	32,514,501	40,140,426
Street Maintenance Budget Control					
Emergency Response		3,555,097	4,080,562	3,451,569	3,351,570
Operations Support		5,200,404	4,757,423	4,863,206	5,130,283
Pavement Management		299,601	329,543	337,816	337,819
Street Cleaning		5,956,232	7,343,453	7,467,380	7,485,704
Street Repair		10,611,958	13,491,419	13,702,436	14,786,787
Total	17005	25,623,293	30,002,400	29,822,407	31,092,163
Urban Forestry Budget Control					
Arborist Services		1,064,070	1,457,628	1,491,943	1,171,017
Tree & Landscape Maintenance		4,445,392	4,127,911	4,232,135	4,570,000
Total	17006	5,509,462	5,585,539	5,724,078	5,741,017
Department Total		428,284,846	448,380,728	565,232,911	472,399,991
Department Full-time Equivalents Total*		844.00	885.50	885.50	917.50

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

Seattle Department of Transportation

Revenue Overview

2018 Estimated Revenues

Summit Code	Source	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
481100	G.O. Bond Proceeds	85,020,110	53,075,420	40,824,644	34,274,608
587358	Operating Transfer In-From ALASKA SEA	16,481,784	720,000	0	0
999999	Local Improvement District Bonds	0	1,501,000	1,410,000	1,410,000
	Total Bonds	101,501,894	55,296,420	42,234,644	35,684,608
422100	Permit Fees	6,669,625	3,250,000	3,265,850	7,585,397
439090	Other Private Contributions & Donations	761,162	473,088	2,500,000	250,000
444100	Street Maintenance & Repair Charges	374,340	1,176,674	1,176,674	1,974,993
444590	Miscellaneous - Other Revenues	76,028	2,565	2,565	353,223
444900	Other Charges - Transportation	28,000,888	47,426,383	39,828,134	44,718,976
445831	Plan Review & Inspection SDOT	8,201,989	9,000,000	8,000,000	10,425,000
522400	IF Permit Activities	717,630	0	0	1,638,100
541490	IF Charges and Fees	174,441	1,267,766	1,322,408	3,951,149
543210	IF Architecture/Engineering Services	0	3,824,648	2,222,000	17,222,000
544590	Various Charges	294,135	0	0	0
544900	IF Other Charges - Transportation	6,088,624	12,484,815	12,284,815	2,378,570
	Total Charges for Service	51,358,862	78,905,939	70,602,446	90,497,408
587199-1	Operating Transfer In-From Transportation Benefit District Fund - \$20	7,882,060	7,961,207	7,895,918	8,479,647
587199-2	Operating Transfer In-From Transportation Benefit District Fund Prop 1 - \$60	23,783,517	23,883,620	24,301,583	24,301,583
	Total Fees	31,665,577	31,844,827	32,197,501	32,781,230
587001	Operating Transfer In-From General Fund	45,507,611	42,966,162	41,608,394	41,903,976
	Total General Fund	45,507,611	42,966,162	41,608,394	41,903,976
437010	Interlocal Grants	0	0	0	0
471010	Federal Grants	12,412,765	4,907,618	58,935,377	36,892,194
474010	State Grants	6,788,620	6,399,951	4,227,078	10,560,974
577010	IF Capital Contributions & Grants	0	0	0	0
	Total Grants	19,201,385	11,307,569	63,162,455	47,453,168
461110	Investment Earnings	489,596	0	0	0
	Total Interest Earnings	489,596	0	0	0
485110	Property Proceeds	0	10,800,000	26,300,000	0
	Total Property Sales	0	10,800,000	26,300,000	0

Seattle Department of Transportation

587185	School Safety Traffic and Pedestrian Improvement Fund	2,679,085	6,419,239	4,552,091	4,527,090
	Total School Zone Camera Funds	2,679,085	6,419,239	4,552,091	4,527,090
411100-1	BTG-Property Tax Levy	477,553	0	0	0
411100-2	Move Seattle Property Tax Levy	93,630,791	96,983,601	99,008,620	97,721,508
416310	Commercial Parking Tax	32,300,571	32,838,296	34,036,894	34,898,475
418800	BTG-Employee Hours Tax	-1,289	0	0	0
419997	Commercial Parking Tax-AWV	7,987,122	8,209,574	8,509,223	8,724,619
436071	Multimodal Transportation	677,791	0	0	677,791
436088	Motor Vehicle Fuel Tax	14,323,082	13,786,909	14,632,821	12,964,909
437321	Proceeds County-Wide Tax	116,995	0	0	1,667,912
587199-3	Operating Transfer In-From Transportation Benefit District Fund Prop 1 - .01% Sales Tax	24,727,410	25,215,917	25,738,326	27,070,380
	Total Taxes	174,240,026	177,034,297	181,925,884	183,725,594
587420	To Be Determined	0	0	81,559,000	0
	Total To Be Determined	0	0	81,559,000	0
587116-1	Operating Transfer in From Cumulative Reserve Subfund - REET I	27,702,032	8,750,000	3,085,000	3,085,000
587116-2	Operating Transfer in From Cumulative Reserve Subfund - REET II	0	22,029,000	4,188,000	11,299,000
587116-3	Operating Transfer in From Cumulative Reserve Subfund - Street Vacations	0	177,000	0	0
587116-4	Operating Transfer in From Cumulative Reserve Subfund - Unrestricted	0	0	0	0
587118	Operating Transfer In-From Emergency Subfund	0	0	0	0
587338	Operating Transfer In-From 2000 Park Levy Fund	33,967	0	0	0
587359	Operating Transfer In-From CEN WF IMP FUND	346,579	0	0	0
587370	Operating Transfer in From Parking Garage Proceeds	99,367	0	0	0
587410	Operating Transfer In-From SCL Fund	0	1,437,938	10,199,000	7,400,000
	Total Transfers - Other Funds	28,181,945	32,393,938	17,472,000	21,784,000
	Total Revenues	454,825,981	446,968,391	561,614,415	458,357,074
317900	Contribution (Use of) Fund Balance	-26,541,133	1,412,337	3,618,496	14,042,917
	Total Use of (Contribution to) Fund Balance	-26,541,133	1,412,337	3,618,496	14,042,917
	Total Resources	428,284,848	448,380,728	565,232,911	472,399,991

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.

Program Expenditures	2016	2017	2018	2018
	Actuals	Adopted	Endorsed	Proposed
Bridge Operations	3,269,784	3,572,293	3,666,444	3,666,445
Structures Engineering	992,160	917,607	938,379	938,380
Structures Maintenance	5,604,814	7,270,492	7,415,988	6,864,667
Total	9,866,757	11,760,392	12,020,811	11,469,492
Full-time Equivalents Total*	61.50	53.00	53.00	53.00

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

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.

Program Expenditures	2016	2017	2018	2018
	Actuals	Adopted	Endorsed	Proposed
Director's Office	2,224,429	2,509,644	2,560,680	2,313,611
Division Management	10,146,005	7,599,654	7,785,839	11,677,094
Human Resources	573,236	1,060,604	1,082,800	949,067
Indirect Cost Recovery - Department Management	-33,703,357	-31,279,855	-31,885,076	-36,160,318
Public Information	752,503	585,110	600,567	751,111
Resource Management	20,471,370	19,511,488	20,439,295	20,767,298
Revenue Development	469,831	488,870	501,987	501,986
Total	934,017	475,515	1,086,092	799,849
Full-time Equivalents Total*	131.50	208.50	208.50	210.50

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

Seattle Department of Transportation

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.

Expenditures/FTE	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Director's Office	2,224,429	2,509,644	2,560,680	2,313,611
Full-time Equivalents Total	5.00	14.50	14.50	14.50

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.

Expenditures/FTE	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Division Management	10,146,005	7,599,654	7,785,839	11,677,094
Full-time Equivalents Total	30.50	97.00	97.00	97.00

Human Resources Program

The purpose of the Human Resources Program is to provide employee support services, training coordination, and other personnel expertise to the department and its employees.

Expenditures/FTE	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Human Resources	573,236	1,060,604	1,082,800	949,067
Full-time Equivalents Total	9.75	11.00	11.00	11.00

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.

Expenditures/FTE	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Indirect Cost Recovery - Department Management	-33,703,357	-31,279,855	-31,885,076	-36,160,318
Full-time Equivalents Total	5.00	0.00	0.00	0.00

Seattle Department of Transportation

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.

	2016	2017	2018	2018
Expenditures/FTE	Actuals	Adopted	Endorsed	Proposed
Public Information	752,503	585,110	600,567	751,111
Full-time Equivalents Total	7.50	8.00	8.00	8.00

Resource Management Program

The purpose of the Resource Management Program is to provide the internal financial, accounting, information technology, safety management and office space management support for all SDOT business activities.

	2016	2017	2018	2018
Expenditures/FTE	Actuals	Adopted	Endorsed	Proposed
Resource Management	20,471,370	19,511,488	20,439,295	20,767,298
Full-time Equivalents Total	68.00	76.00	76.00	77.00

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.

	2016	2017	2018	2018
Expenditures/FTE	Actuals	Adopted	Endorsed	Proposed
Revenue Development	469,831	488,870	501,987	501,986
Full-time Equivalents Total	5.75	2.00	2.00	3.00

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.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Engineering & Operations Support	5,846,144	3,776,353	3,810,130	17,031,663
Total	5,846,144	3,776,353	3,810,130	17,031,663
Full-time Equivalents Total*	25.75	3.00	3.00	3.00

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

Seattle Department of Transportation

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 delivery of transportation services. Money from all transportation funding sources is collected to pay for these indirect cost services. It also includes Judgment and Claims contributions and debt service payments.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
City Central Costs	22,826,616	34,649,172	32,098,624	35,709,706
Debt Service	24,975,188	30,290,326	34,926,401	33,633,612
Indirect Cost Recovery - General Expense	-22,529,470	-30,374,593	-30,792,683	-35,709,706
Judgment & Claims	3,250,869	2,983,510	2,590,087	2,590,087
Total	28,523,204	37,548,415	38,822,429	36,223,699

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.

	2016	2017	2018	2018
Expenditures	Actuals	Adopted	Endorsed	Proposed
City Central Costs	22,826,616	34,649,172	32,098,624	35,709,706

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.

	2016	2017	2018	2018
Expenditures	Actuals	Adopted	Endorsed	Proposed
Debt Service	24,975,188	30,290,326	34,926,401	33,633,612

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.

	2016	2017	2018	2018
Expenditures	Actuals	Adopted	Endorsed	Proposed
Indirect Cost Recovery - General Expense	-22,529,470	-30,374,593	-30,792,683	-35,709,706

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.

	2016	2017	2018	2018
Expenditures	Actuals	Adopted	Endorsed	Proposed
Judgment & Claims	3,250,869	2,983,510	2,590,087	2,590,087

Seattle Department of Transportation

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	2016	2017	2018	2018
	Actuals	Adopted	Endorsed	Proposed
Bridges & Structures	19,428,904	20,234,733	31,965,880	21,773,046
Landslide Mitigation	497,566	427,000	440,000	1,439,999
Roads	28,605,028	39,475,808	31,559,500	17,354,500
Sidewalk Maintenance	1,703,451	1,530,000	1,560,600	3,560,599
Signs, Signals and Markings	0	1,492,576	1,525,683	1,525,683
Trails and Bike Paths	1,415,046	10,165,000	13,180,000	1,000,001
Total	51,649,994	73,325,117	80,231,663	46,653,828
Full-time Equivalents Total*	62.00	80.50	80.50	94.50

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

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	2016	2017	2018	2018
	Actuals	Adopted	Endorsed	Proposed
Bridges & Structures	19,428,904	20,234,733	31,965,880	21,773,046
Full-time Equivalents Total	21.50	12.75	12.75	12.75

Landslide Mitigation Program

The purpose of the Landslide Mitigation Program is to proactively identify and address potential areas of landslide concerns that affect the right-of-way.

Expenditures/FTE	2016	2017	2018	2018
	Actuals	Adopted	Endorsed	Proposed
Landslide Mitigation	497,566	427,000	440,000	1,439,999
Full-time Equivalents Total	2.00	2.00	2.00	2.00

Seattle Department of Transportation

Roads Program

The purpose of the Roads Program is to provide for the safe and efficient use of the city's roadways to all residents of Seattle and adjacent regions to ensure movement of people, goods and services throughout the city.

Expenditures/FTE	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Roads	28,605,028	39,475,808	31,559,500	17,354,500
Full-time Equivalents Total	19.50	40.00	40.00	46.00

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.

Expenditures/FTE	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Sidewalk Maintenance	1,703,451	1,530,000	1,560,600	3,560,599
Full-time Equivalents Total	6.50	6.00	6.00	6.00

Signs, Signals and Markings Program

Expenditures	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Signs, Signals and Markings	0	1,492,576	1,525,683	1,525,683

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.

Expenditures/FTE	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Trails and Bike Paths	1,415,046	10,165,000	13,180,000	1,000,001
Full-time Equivalents Total	12.50	19.75	19.75	27.75

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.

Program Expenditures	2016	2017	2018	2018
	Actuals	Adopted	Endorsed	Proposed
Alaskan Way Viaduct and Seawall Replacement	95,036,957	72,481,358	36,459,642	36,459,642
First Hill Streetcar	4,529,401	0	0	0
Mercer Corridor	264,841	0	0	0
Mercer West	2,104,992	0	0	0
Spokane Street Viaduct	8,087	0	0	0
SR-520	491,914	1,065,585	681,445	931,446
Total	102,436,192	73,546,943	37,141,087	37,391,088
Full-time Equivalents Total*	45.75	24.50	24.50	24.50

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

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.

Expenditures/FTE	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Alaskan Way Viaduct and Seawall Replacement	95,036,957	72,481,358	36,459,642	36,459,642
Full-time Equivalents Total	29.50	22.00	22.00	22.00

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.

Expenditures/FTE	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
First Hill Streetcar	4,529,401	0	0	0
Full-time Equivalents Total	1.00	1.00	1.00	1.00

Seattle Department of Transportation

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.

	2016	2017	2018	2018
Expenditures/FTE	Actuals	Adopted	Endorsed	Proposed
Mercer Corridor	264,841	0	0	0
Full-time Equivalents Total	7.25	0.00	0.00	0.00

Mercer West Program

The purpose of the Mercer West Program is to use existing street capacity along the west portion of Mercer Street more efficiently and enhance all modes of travel, including pedestrian mobility, and provide an east/west connection between I-5, State Route 99, and Elliott Ave W.

	2016	2017	2018	2018
Expenditures	Actuals	Adopted	Endorsed	Proposed
Mercer West	2,104,992	0	0	0

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.

	2016	2017	2018	2018
Expenditures/FTE	Actuals	Adopted	Endorsed	Proposed
Spokane Street Viaduct	8,087	0	0	0
Full-time Equivalents Total	6.50	0.00	0.00	0.00

SR-520 Program

The purpose of the SR-520 Program is to provide policy, planning and technical analysis support and to act as the City's representative in a multi-agency group working on the replacement of the State Route 520 bridge.

	2016	2017	2018	2018
Expenditures/FTE	Actuals	Adopted	Endorsed	Proposed
SR-520	491,914	1,065,585	681,445	931,446
Full-time Equivalents Total	1.50	1.50	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.

Program Expenditures	2016	2017	2018	2018
	Actuals	Adopted	Endorsed	Proposed
Corridor & Intersection Improvements	27,627,756	18,090,197	15,985,671	19,771,982
Freight Mobility	4,340,427	18,700,000	67,900,000	23,500,001
Intelligent Transportation System	7,525,094	2,800,000	2,800,000	2,800,000
Neighborhood Enhancements	9,831,387	3,267,000	13,760,000	19,482,181
New Trails and Bike Paths	12,666,129	0	2,000,000	17,110,731
Sidewalks & Pedestrian Facilities	11,915,018	25,176,523	18,322,104	17,414,328
Transit & HOV	12,223,658	18,732,271	112,189,695	47,899,769
Total	86,129,469	86,765,991	232,957,470	147,978,992
Full-time Equivalents Total*	73.50	106.75	106.75	120.75

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

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.

Expenditures/FTE	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Corridor & Intersection Improvements	27,627,756	18,090,197	15,985,671	19,771,982
Full-time Equivalents Total	15.75	34.00	34.00	38.00

Freight Mobility Program

The purpose of the Freight Mobility Program is to help move freight throughout the city in a safe and efficient manner.

Expenditures/FTE	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Freight Mobility	4,340,427	18,700,000	67,900,000	23,500,001
Full-time Equivalents Total	1.75	4.50	4.50	4.50

Seattle Department of Transportation

Intelligent Transportation System Program

The purpose of the Intelligent Transportation System (ITS) Program is to fund projects identified in the City's ITS Strategic Plan and ITS Master Plan. Examples of projects include implementation of transit signal priority strategies; installation of closed-circuit television (CCTV) cameras to monitor traffic in key corridors; and development of parking guidance, traveler information and real-time traffic control systems.

	2016	2017	2018	2018
Expenditures/FTE	Actuals	Adopted	Endorsed	Proposed
Intelligent Transportation System	7,525,094	2,800,000	2,800,000	2,800,000
Full-time Equivalents Total	12.50	8.25	8.25	8.25

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.

	2016	2017	2018	2018
Expenditures/FTE	Actuals	Adopted	Endorsed	Proposed
Neighborhood Enhancements	9,831,387	3,267,000	13,760,000	19,482,181
Full-time Equivalents Total	12.00	13.00	13.00	17.00

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.

	2016	2017	2018	2018
Expenditures/FTE	Actuals	Adopted	Endorsed	Proposed
New Trails and Bike Paths	12,666,129	0	2,000,000	17,110,731
Full-time Equivalents Total	8.25	0.50	0.50	1.50

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.

	2016	2017	2018	2018
Expenditures/FTE	Actuals	Adopted	Endorsed	Proposed
Sidewalks & Pedestrian Facilities	11,915,018	25,176,523	18,322,104	17,414,328
Full-time Equivalents Total	17.25	34.50	34.50	37.50

Transit & HOV Program

The purpose of the Transit & HOV Program is to move more people in less time throughout the city.

	2016	2017	2018	2018
Expenditures/FTE	Actuals	Adopted	Endorsed	Proposed
Transit & HOV	12,223,658	18,732,271	112,189,695	47,899,769
Full-time Equivalents Total	6.00	12.00	12.00	14.00

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.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Commuter Mobility	14,429,898	15,330,502	13,788,803	15,217,477
Neighborhoods	2,884,160	3,494,883	3,294,715	3,305,978
Parking	9,244,553	12,412,263	12,543,873	13,390,163
Signs & Markings	3,321,237	3,388,117	3,462,814	3,453,100
Traffic Signals	9,255,496	10,034,219	10,242,491	11,525,262
Transit Operations	41,240,079	48,083,083	47,769,547	50,985,794
Total	80,375,423	92,743,067	91,102,243	97,877,774
Full-time Equivalents Total*	156.75	130.75	130.75	130.75

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

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.

	2016	2017	2018	2018
Expenditures/FTE	Actuals	Adopted	Endorsed	Proposed
Commuter Mobility	14,429,898	15,330,502	13,788,803	15,217,477
Full-time Equivalents Total	51.50	44.25	44.25	44.25

Neighborhoods Program

The purpose of the Neighborhoods Program is to plan and forecast the needs of specific neighborhoods including neighborhood and corridor planning, development of the coordinated transportation plans, traffic control spot improvements and travel forecasting. The program also constructs minor improvements in neighborhoods based on these assessments.

	2016	2017	2018	2018
Expenditures/FTE	Actuals	Adopted	Endorsed	Proposed
Neighborhoods	2,884,160	3,494,883	3,294,715	3,305,978
Full-time Equivalents Total	15.50	10.00	10.00	10.00

Seattle Department of Transportation

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.

	2016	2017	2018	2018
Expenditures/FTE	Actuals	Adopted	Endorsed	Proposed
Parking	9,244,553	12,412,263	12,543,873	13,390,163
Full-time Equivalents Total	33.25	25.00	25.00	25.00

Signs & Markings Program

The purpose of the Signs & Markings Program is to design, fabricate and install signage, as well as provide pavement, curb and crosswalk markings to facilitate the safe movement of vehicles, pedestrians and bicyclists throughout the city.

	2016	2017	2018	2018
Expenditures/FTE	Actuals	Adopted	Endorsed	Proposed
Signs & Markings	3,321,237	3,388,117	3,462,814	3,453,100
Full-time Equivalents Total	18.75	19.50	19.50	19.50

Traffic Signals Program

The purpose of the Traffic Signals Program is to operate the Traffic Management Center that monitors traffic movement within the city and to maintain and improve signals and other electrical transportation management infrastructure.

	2016	2017	2018	2018
Expenditures/FTE	Actuals	Adopted	Endorsed	Proposed
Traffic Signals	9,255,496	10,034,219	10,242,491	11,525,262
Full-time Equivalents Total	37.75	29.25	29.25	29.25

Transit Operations Program

The purpose of the Transit Operations Program is to purchase Metro transit service hours on routes with more than 80% of stops within the city limits and to support regional transit service in conjunction with other cities, transit agencies, and transportation benefit districts who contribute to the cost of providing regional transit service. The program also funds and administers a \$20 low-income VLF rebate to qualified individuals and supports access to transit service for low-income transit riders.

	2016	2017	2018	2018
Expenditures/FTE	Actuals	Adopted	Endorsed	Proposed
Transit Operations	41,240,079	48,083,083	47,769,547	50,985,794
Full-time Equivalents Total	0.00	2.75	2.75	2.75

Seattle Department of Transportation

ROW Management Budget Control Level

The purpose of the (Right-of-Way) ROW Management Budget Control Level is to review projects throughout the city for code compliance for uses of the right-of-way and to provide plan review, utility permit and street use permit issuance, and utility inspection and mapping services.

Program Expenditures	2016	2017	2018	2018
	Actuals	Adopted	Endorsed	Proposed
Street Use Permitting & Enforcement	31,390,892	32,850,996	32,514,501	40,140,426
Total	31,390,892	32,850,996	32,514,501	40,140,426
Full-time Equivalents Total*	141.50	134.00	134.00	136.00

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

Street Maintenance Budget Control Level

The purpose of the Street Maintenance Budget Control Level is to maintain the city's roadways and sidewalks.

Program Expenditures	2016	2017	2018	2018
	Actuals	Adopted	Endorsed	Proposed
Emergency Response	3,555,097	4,080,562	3,451,569	3,351,570
Operations Support	5,200,404	4,757,423	4,863,206	5,130,283
Pavement Management	299,601	329,543	337,816	337,819
Street Cleaning	5,956,232	7,343,453	7,467,380	7,485,704
Street Repair	10,611,958	13,491,419	13,702,436	14,786,787
Total	25,623,293	30,002,400	29,822,407	31,092,163
Full-time Equivalents Total*	114.50	111.50	111.50	111.50

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

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.

Expenditures/FTE	2016	2017	2018	2018
	Actuals	Adopted	Endorsed	Proposed
Emergency Response	3,555,097	4,080,562	3,451,569	3,351,570
Full-time Equivalents Total	2.25	18.50	18.50	18.50

Seattle Department of Transportation

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.

	2016	2017	2018	2018
Expenditures/FTE	Actuals	Adopted	Endorsed	Proposed
Operations Support	5,200,404	4,757,423	4,863,206	5,130,283
Full-time Equivalents Total	33.25	22.50	22.50	22.50

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.

	2016	2017	2018	2018
Expenditures/FTE	Actuals	Adopted	Endorsed	Proposed
Pavement Management	299,601	329,543	337,816	337,819
Full-time Equivalents Total	0.75	1.00	1.00	1.00

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.

	2016	2017	2018	2018
Expenditures/FTE	Actuals	Adopted	Endorsed	Proposed
Street Cleaning	5,956,232	7,343,453	7,467,380	7,485,704
Full-time Equivalents Total	23.25	22.50	22.50	22.50

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.

	2016	2017	2018	2018
Expenditures/FTE	Actuals	Adopted	Endorsed	Proposed
Street Repair	10,611,958	13,491,419	13,702,436	14,786,787
Full-time Equivalents Total	55.00	47.00	47.00	47.00

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.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Arborist Services	1,064,070	1,457,628	1,491,943	1,171,017
Tree & Landscape Maintenance	4,445,392	4,127,911	4,232,135	4,570,000
Total	5,509,462	5,585,539	5,724,078	5,741,017
Full-time Equivalents Total*	31.25	34.00	34.00	34.00

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

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.

	2016	2017	2018	2018
Expenditures/FTE	Actuals	Adopted	Endorsed	Proposed
Arborist Services	1,064,070	1,457,628	1,491,943	1,171,017
Full-time Equivalents Total	8.75	4.50	4.50	4.50

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.

	2016	2017	2018	2018
Expenditures/FTE	Actuals	Adopted	Endorsed	Proposed
Tree & Landscape Maintenance	4,445,392	4,127,911	4,232,135	4,570,000
Full-time Equivalents Total	22.50	29.50	29.50	29.50

Seattle Department of Transportation

Transportation Fund Table

Transportation Operating Fund (10310)

	2016 Actuals	2017 Adopted	2017 Revised	2018 Endorsed	2018 Proposed
Beginning Fund Balance	70,997,078	181,956,585	97,538,213	180,544,248	113,867,254
Accounting and Technical Adjustments	0	0	0	0	0
Plus: Actual and Estimated Revenues	454,825,981	446,968,391	478,877,200	561,614,415	458,357,074
Less: Actual and Budgeted Expenditures	428,284,846	448,380,728	462,548,159	565,232,911	472,399,991
Ending Fund Balance	97,538,213	180,544,248	113,867,254	176,925,752	99,824,337
Continuing Appropriations	0	53,654,316	85,334,195	53,654,316	85,334,195
Interfund Loan Mercer West	0	0	-15,259,961	0	-17,454,961
Interfund Loan Streetcar Capital	0	-5,950,000	-4,800,000	-5,950,000	-4,550,000
Planning Reserve	0	-1,600,000	0	-1,600,000	0
Revenue Stabilization	0	0	6,061,314	0	6,334,073
Total Reserves	0	46,104,316	71,335,548	46,104,316	69,663,307
Ending Unreserved Fund Balance	97,538,213	134,439,932	42,531,706	130,821,436	30,161,030

Capital Improvement Program Highlights

The Seattle Department of Transportation (SDOT) maintains, upgrades, and monitors 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. SDOT finances its CIP with a variety of revenue sources, including the Cumulative Reserve Subfund, Commercial Parking Tax, Real Estate Excise Taxes, gas tax, multimodal funds, state and federal grants, partnerships with private organizations and other public agencies, and bond proceeds.

The 2018-2023 Proposed CIP includes key infrastructure investments, previously detailed in this chapter, to:

- implement the Move Settle levy approved by voters in November 2015;
- continue the Waterfront Replacement projects;
- design and construct the Center City Connector Streetcar;
- design and construct the South Lander Street Grade Separation project; and
- replace SDOT's permitting system.

For more information on SDOT's full capital program, please refer to the 2018-2023 Proposed CIP.

Seattle Department of Transportation

Most capital appropriations for SDOT are directly budgeted to a Budget Control Level (BCL) within the department. These are displayed at the start of this chapter and summarized in **Table 1: Capital Improvement Budget Control Level Summary**. Consistent with RCW 35.32A.080, if any portion of these funds remains unexpended or unencumbered at the close of the fiscal year, SDOT holds that portion for the following year unless abandoned by the City Council by ordinance.

Table 1: Capital Improvement Budget Control Level Summary

Budget Control Level	2018 Endorsed	2018 Proposed
Major Maintenance/Replacement	\$80,231,663	\$46,653,828
Major Projects	\$37,141,087	\$37,391,088
Mobility Capital	\$232,957,470	\$147,978,992
Total Capital Improvement Program	\$350,330,220	\$232,023,908

While the City appropriates most revenue sources for SDOT’s capital projects directly to the Transportation Operating Fund (TOF), funding from the following funds require separate transfer authority to the TOF: Limited Tax General Obligation Bond (LTGO) proceeds; the Cumulative Reserve Subfund (CRS); the Central Waterfront Improvement Fund; and the School Safety Traffic and Pedestrian Improvement Fund. A summary of this information is presented in Tables 2 through 5 on the following pages.

Table 2: 2017-2018 SDOT Bond Appropriations in CIP provides an informational display of LTGO bond proceed transfers 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.

Table 2: 2018 SDOT Bond Appropriations in CIP

Project and Bond Type	2018 Endorsed	2018 Proposed
Center City Connector Streetcar: TC367210		
Multipurpose LTGO Bonds	\$16,000,000	\$6,050,000
King Street Station Tenant Improvements: TC367840		
Multipurpose LTGO Bonds	\$0	\$4,400,000
Elliott Bay Seawall: TC367320		
Multipurpose LTGO Bonds	\$14,579,000	\$14,579,000
Overlook Walk and East-West Connections: TC367630		
Multipurpose LTGO Bonds	\$3,280,000	\$3,280,000
Alaskan Way Main Corridor: TC 367330		
Multipurpose LTGO Bonds	\$6,966,000	\$6,966,000
Total Bond Proceeds	\$40,825,000	\$35,275,0000

The Cumulative Reserve Subfund section of the budget presents appropriations authorized for specific programs; however, they have been summarized in this section in **Table 3: 2018 Cumulative Reserve Subfund Program Funding to SDOT**. Appropriations from the CRS include Real Estate Excise Tax debt as well as CRS-Unrestricted funds, which are backed by street vacation revenues.

Seattle Department of Transportation

For Informational Purposes Only

**Table 3: 2018 Cumulative Reserve Subfund Program Funding to SDOT
(Dollars in Thousands)**

Sub-Account	Project ID	2018 Endorsed	2018 Proposed
Cumulative Reserve Subfund – REET I (00163)			
Arterial Major Maintenance	TC365940	\$1,185	\$1,185
Debt Service – CRF	TC320060	\$1,900	\$1,900
Subtotal REET I		\$3,085	\$3,085
Cumulative Reserve Subfund – REET II (00161)			
23 rd Avenue Corridor Improvements	TC367420	\$111	\$0
Arterial Major Maintenance	TC365940	\$0	\$500
Bridge Painting Program	TC324900	\$2,135	\$2,135
Bridge Load Rating	TC365060	\$0	\$500
Hazard Mitigation Program – Areaways	TC365480	\$331	\$331
Hazard Mitigation Program – Landslide	TC365510	\$200	\$1,200
Market to MOHAI	TC368060	\$0	\$500
Non-Arterial Street Resurfacing & Restoration	TC367710	\$1,150	\$1,150
NPSF Neighborhood Parks Street Fund	TC365770	\$0	\$1,910
Pedestrian Master Plan – Stairway Rehab ¹	TC367930	\$49	\$49
Retaining Wall Repair and Restoration	TC365890	\$212	\$212
Sidewalk Safety Repair	TC365120	\$0	\$2,000
Debt Service - CRF	TC320060	\$812	\$812
Subtotal REET II		\$5,000	\$11,299
TOTAL – CRS FUNDING TO TRANSPORTATION		\$8,085	\$14,384

Table 4: Central Waterfront Improvement Fund Appropriation displays appropriations from the Central Waterfront Improvement Fund to the Transportation Operating Fund for certain costs associated with the design and construction of the waterfront improvement program, including costs eligible for financing by a future Local Improvement District (LID), and related costs for City administration. This fund is backed by an interfund loan until such time that the LID is formed. Additional details of this fund are located in the Central Waterfront Improvement Fund section of the proposed budget.

Table 4: Central Waterfront Improvement Fund Appropriation

The purpose of the Central Waterfront Improvement Fund Support to the Transportation Budget Control Level is to appropriate funds from the Central Waterfront Improvement Fund to the Transportation Operating Fund for support of the waterfront improvement program.

Expenditures	2018 Endorsed	2018 Proposed
Central Waterfront Improvement Fund Support to Transportation BCL	\$1,410,000	\$1,410,000

Table 5: School Safety Traffic and Pedestrian Improvement Fund Appropriation displays the appropriation from the School Safety Traffic and Pedestrian Improvement Fund to the Transportation Operating Fund for support of the Pedestrian Master Plan – School Safety and the Pedestrian Master Plan – New Sidewalk capital programs and the operation and maintenance costs associated with the programs. This fund supports costs associated with design and construction of school safety infrastructure projects; school zone camera installation; school zone warning beacon maintenance; new sidewalks in school walk zones; the maintenance of stairways in school walk

¹ The 2018 Endorsed amount is for the PMP Implementation TC367150 project

Seattle Department of Transportation

zones; and school safety program education, outreach and administration. Additional fund details are located in the School Safety Traffic and Pedestrian Improvement Fund section of the proposed budget.

Table 5: School Safety Traffic and Pedestrian Improvement Fund Appropriation

The purpose of the School Safety Education and Outreach, Infrastructure Maintenance, and Capital Improvements BCL is to appropriate funds from the School Safety Traffic and Pedestrian Improvement Fund to the Transportation Operating Fund for support of operational and capital expenses related to school safety projects.

Expenditures	2018 Endorsed	2018 Proposed
School Safety Traffic and Pedestrian Improvement Fund Support to Transportation BCL	\$4,527,090	\$4,527,090

Cable Television Franchise Subfund

Michael Mattmiller, Director & Chief Technology Officer

(206) 684-0600

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

Department Overview

Beginning in 1996, the City of Seattle entered into cable franchise agreements that included a franchise fee as compensation for cable television providers locating in the public right-of-way. The City has approved franchises with CenturyLink, Comcast and Wave Division I.

The Cable Television Franchise Subfund (created by Ordinance 118196) shows the anticipated revenues from the franchise fee and related expenditures in the Seattle Information Technology Department (Seattle IT). Resolution 30379 establishes usage policies for the fund. The fund pays for the following services:

- administration of the Cable Customer Bill of Rights as well as the public, education, and government access costs the City is obligated to fund under the terms of its cable franchise agreements;
- support of the Seattle Channel, including both operations and capital equipment;
- programs and projects promoting technology literacy and access, including related research, analysis, and evaluation; and
- use of innovative and interactive technology, including television and online content, to provide ways for residents to access City services.

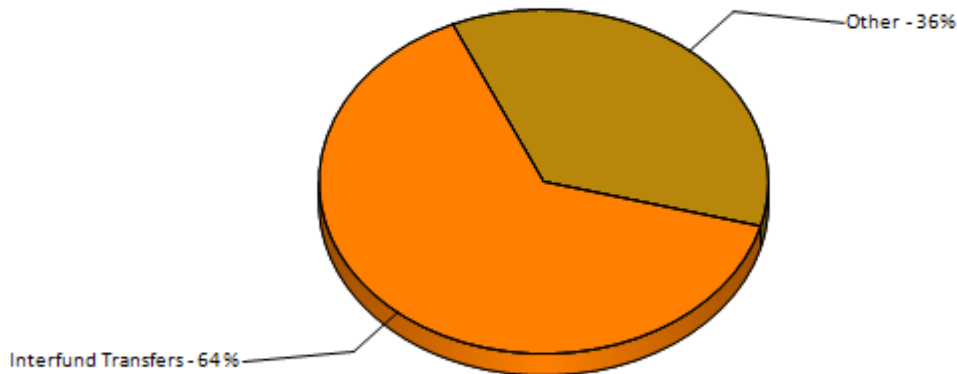
Budget Snapshot

Department Support	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Other Funding - Operating	\$10,196,356	\$10,353,466	\$10,041,960	\$10,201,960
Total Operations	\$10,196,356	\$10,353,466	\$10,041,960	\$10,201,960
Total Appropriations	\$10,196,356	\$10,353,466	\$10,041,960	\$10,201,960
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 Human Resources Director actions outside of the budget process may not be detailed here.

Cable Television Franchise Subfund

2018 Proposed Budget - Expenditure by Category



Budget Overview

The Cable Television Franchise Fund (Cable Fund) receives revenues from cable television provider franchise fees. The 2018 Proposed Budget continues previous uses of the Cable Fund for programs such as the Seattle Channel, the Cable Customer Bill of Rights, initiatives that promote technology literacy and access, and technology that provides ways for residents to access City services.

In addition, the proposed budget increases funding to provide closed captioning services for live City Council and Council Committee video on the Seattle Channel. This change will improve the Channel's ability to provide inclusive content to all residents of the city.

In past years, the Cable Fund has had sufficient revenue growth to offset inflationary impacts on expenditures. While Cable franchise fee revenues increased by 2% from 2015 to 2016, they are projected to flatten or decline in future years as Seattle residents increasingly discontinue their cable television service from regulated providers in favor of internet-based streaming video services that are not subject to the City's regulatory structure. The Seattle Information Technology Department is closely monitoring quarterly franchise payments to determine if future reductions are necessary to some programming that has historically been supported by the Cable Fund.

Cable Television Franchise Subfund

Incremental Budget Changes

Cable Television Franchise Subfund

	2018	
	Budget	FTE
Total 2018 Endorsed Budget	\$ 10,041,960	0.00
Proposed Changes		
Closed Captioning for Seattle Channel	\$ 160,000	0.00
Total Incremental Changes	\$ 160,000	0.00
2018 Proposed Budget	\$ 10,201,960	0.00

Descriptions of Incremental Budget Changes

Proposed Changes

Closed Captioning for Seattle Channel - \$160,000

The Seattle Channel strives to produce compelling content that informs residents about city issues, resources and services. The Channel also strives to be inclusive and to both represent and reach diverse audiences. Closed captioning is a process of displaying text on a television, video screen, or other visual display to provide additional or interpretive information of the video presented. To improve the Channel's ability to provide inclusive content to all residents of the City, this item funds closed captioning services for live City Council and Council Committee videos.

Cable Television Franchise Subfund

Expenditure Overview

Appropriations	Summit Code	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Cable Fee Support to Information Technology Fund Budget Control					
Applications		0	742,062	430,062	430,062
Business Office		238,440	456,822	386,145	386,145
Citywide Web Team		1,105,252	1,122,959	1,135,302	1,135,302
Community Technology		1,815,772	1,701,104	1,687,396	1,687,396
Engineering and Operations		1,155,468	762,585	770,763	770,763
Office of Cable Communications		907,836	811,121	821,776	821,776
Open Data		0	307,153	312,935	312,935
Seattle Channel		3,709,800	3,306,378	3,343,070	3,503,070
Security, Risk and Compliance		0	435,097	442,581	442,581
Strategy and Planning		733,788	68,185	69,930	69,930
Total	D160B	9,666,356	9,713,466	9,399,960	9,559,960
Cable Fee Support to Library Fund Budget Control Level	D160C	530,000	640,000	642,000	642,000
Department Total		10,196,356	10,353,466	10,041,960	10,201,960

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

Cable Television Franchise Subfund

Revenue Overview

2018 Estimated Revenues

Summit Code	Source	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
421911	Franchise Fee Revenues, Licenses, Permits, and Fines	9,458,367	9,356,315	9,356,315	9,351,090
	Total Franchise Fees, Licenses, Permits, and Fines	9,458,367	9,356,315	9,356,315	9,351,090
461110	Interest Earnings	30,784	36,818	27,453	57,024
	Total Interest Earnings/Investment Earnings	30,784	36,818	27,453	57,024
	Total Revenues	9,489,151	9,393,133	9,383,768	9,408,114
379100	Use of (Contributions to) Fund Balance	707,205	960,333	658,192	793,846
	Total Use of (Contributions to) Fund Balance	707,205	960,333	658,192	793,846
	Total Resources	10,196,356	10,353,466	10,041,960	10,201,960

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 Seattle Information Technology Department's Information Technology Fund. These resources are used by the department for a variety of programs consistent with Resolution 30379.

Program Expenditures	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Applications	0	742,062	430,062	430,062
Business Office	238,440	456,822	386,145	386,145
Citywide Web Team	1,105,252	1,122,959	1,135,302	1,135,302
Community Technology	1,815,772	1,701,104	1,687,396	1,687,396
Engineering and Operations	1,155,468	762,585	770,763	770,763
Office of Cable Communications	907,836	811,121	821,776	821,776
Open Data	0	307,153	312,935	312,935
Seattle Channel	3,709,800	3,306,378	3,343,070	3,503,070
Security, Risk and Compliance	0	435,097	442,581	442,581
Strategy and Planning	733,788	68,185	69,930	69,930
Total	9,666,356	9,713,466	9,399,960	9,559,960

Cable Television Franchise Subfund

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.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Citizen Literacy/Access	530,000	640,000	642,000	642,000
Total	530,000	640,000	642,000	642,000

Cable TV Fund Table

Cable Television Franchise Subfund (00160)

	2016	2017	2017	2018	2018
	Actuals	Adopted	Revised	Endorsed	Proposed
Beginning Fund Balance	4,457,697	3,658,061	3,750,492	2,697,728	2,802,370
Accounting and Technical Adjustments	0	0	0	0	0
Plus: Actual and Estimated Revenues	9,489,151	9,393,133	9,405,344	9,383,768	9,408,114
Less: Actual and Budgeted Expenditures	10,196,356	10,353,466	10,353,466	10,041,960	10,201,960
Ending Fund Balance	3,750,492	2,697,728	2,802,370	2,039,536	2,008,524
Ongoing Reserve	2,129,453	2,153,020	2,153,020	2,106,294	2,105,294
Planning Reserve	500,000	283,754	283,754	97,699	97,699
Total Reserves	2,629,453	2,436,774	2,436,774	2,203,993	2,202,993
Ending Unreserved Fund Balance	1,121,039	260,954	365,596	-164,457	-194,469

Office of City Auditor

David G. Jones, City Auditor

(206) 233-3801

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

Department Overview

The Office of City Auditor was established by City Charter and serves as Seattle's independent performance audit function. The City Auditor is appointed by the City Council to a four-year term of office.

The Office of City Auditor seeks to promote honest, efficient management and full accountability throughout City government. It serves the public interest by providing the City Council, the Mayor and City employees with accurate information, unbiased analyses and objective recommendations on how best to use public resources.

The Office of City Auditor conducts audits of City departments, programs, grantees and contracts, as well as some nonaudit projects. Most of the office's work is performed in response to specific concerns or requests from City Councilmembers, but the City Auditor also independently initiates work to fulfill the office's mission. If resources are available, the City Auditor responds to requests from the Mayor, City departments and the public.

Through its work, the Office of City Auditor answers the following types of questions:

- Are City of Seattle programs being carried out in compliance with applicable laws and regulations, and is accurate information furnished to the City Council and Mayor on these programs?
- Do opportunities exist to eliminate inefficient use of public funds and waste?
- Are programs achieving desired results?
- Are there better ways to achieve program objectives at lower costs?
- Are there ways to improve the quality of service without increasing costs?
- What emerging or key issues should the City Council and Mayor consider?

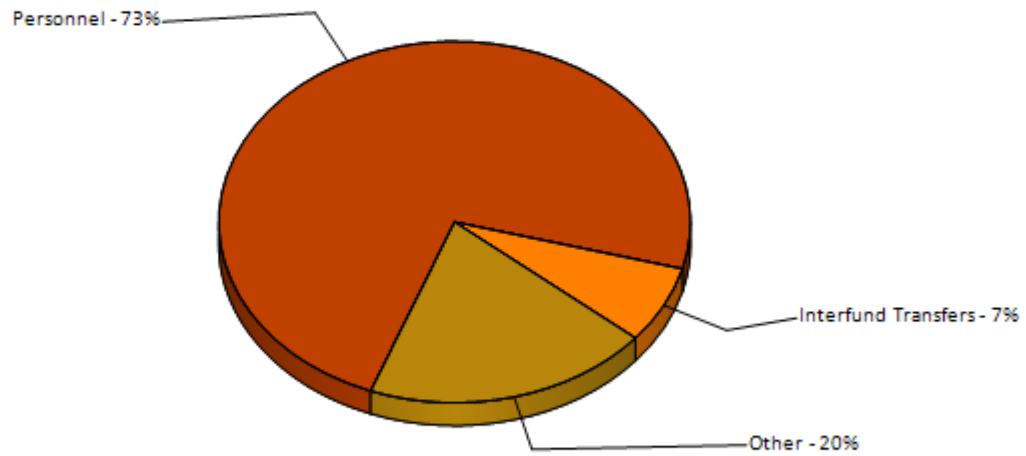
Budget Snapshot

Department Support	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
General Fund Support	\$1,671,208	\$2,311,986	\$1,795,041	\$2,168,043
Total Operations	\$1,671,208	\$2,311,986	\$1,795,041	\$2,168,043
Total Appropriations	\$1,671,208	\$2,311,986	\$1,795,041	\$2,168,043
Full-time Equivalent Total*	9.50	9.50	9.50	9.50

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

Office of City Auditor

2018 Proposed Budget - Expenditure by Category



Budget Overview

The Office of City Auditor (Auditor) provides information to the 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, ensuring the use of efficient, effective service delivery options. It also offers the public a way to hold the City accountable for how public resources are being used.

The 2018 Proposed Budget increases funding to enable the Auditor to contract with consultants and academic researchers to conduct annual reviews and evaluations of new City ordinances including the Sweetened Beverage Tax ([Ordinance 125324](#)) and the Surveillance Ordinance ([Ordinance 125376](#)).

Office of City Auditor

Incremental Budget Changes

Office of City Auditor

	2018	
	Budget	FTE
Total 2018 Endorsed Budget	\$ 1,795,041	9.50
Baseline Changes		
Citywide Adjustments for Standard Cost Changes	\$ 3,002	0.00
Proposed Changes		
Surveillance Ordinance Funding	\$ 350,000	0.00
Evaluation of the Sweetened Beverage Tax	\$ 20,000	0.00
Total Incremental Changes	\$ 373,002	0.00
2018 Proposed Budget	\$ 2,168,043	9.50

Descriptions of Incremental Budget Changes

Baseline Changes

Citywide Adjustments for Standard Cost Changes - \$3,002

Citywide technical adjustments made in the baseline phase reflect changes to internal services costs, health care, and industrial insurance charges for the department. These adjustments reflect initial assumptions about these costs and inflators early in the budget process.

Proposed Changes

Surveillance Ordinance Funding - \$350,000

In August 2017, the Seattle City Council passed the Surveillance Ordinance relating to the City's acquisition and use of surveillance technology ([Ordinance 125376](#)). The ordinance mandates new work for the Office of City Auditor including an annual review of the City's use of surveillance technology and the extent to which departments are in compliance with ordinance requirements and the terms of approved Surveillance Impact Reports. This one-time item adds \$350,000 for professional resources to help the Office of City Auditor conduct this work. Ongoing costs may be lower as the City further refines what is within the scope of the legislation; the more technologies that qualify as surveillance technologies, the heavier the workload will be for the office.

Evaluation of the Sweetened Beverage Tax - \$20,000

This item increases funding for the Office of City Auditor (Auditor) to contract with academic researchers to

Office of City Auditor

evaluate the effects of the Sweetened Beverage Tax ([Ordinance 125324](#)), including:

- economic outcomes, health behaviors and intermediate health outcomes;
- identification and assessment of food deserts in the city;
- the effectiveness and efficiency of the foodbank network in the City; and
- the process of implementing the tax, including perceptions of city residents, food retailers, tax administrators and city officials.

The legislation provides \$500,000 per year to the Auditor for the first five years of tax implementation (2018-2022). The office received an inter-fund loan for \$480,000 in the 2017 Second Quarter Supplemental Ordinance to begin work on a baseline evaluation; the remaining appropriation of \$20,000 is included in the proposed budget for 2018. For additional information about the City's use of the Sweetened Beverage Tax, see the 2018 Proposed Budget Executive Summary in the Introduction section of the budget.

Expenditure Overview

Appropriations	Summit Code	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Office of City Auditor Budget Control Level	VG000	1,671,208	2,311,986	1,795,041	2,168,043
Department Total		1,671,208	2,311,986	1,795,041	2,168,043
Department Full-time Equivalents Total*		9.50	9.50	9.50	9.50

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

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 and objective recommendations to assist the City in using public resources more equitably, efficiently and effectively in delivering services to the public.					
Program Expenditures	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed	
Office of City Auditor	1,671,208	2,311,986	1,795,041	2,168,043	
Total	1,671,208	2,311,986	1,795,041	2,168,043	
Full-time Equivalents Total*	9.50	9.50	9.50	9.50	

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

City Budget Office

Ben Noble, Director

(206) 615-1962

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

Department Overview

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

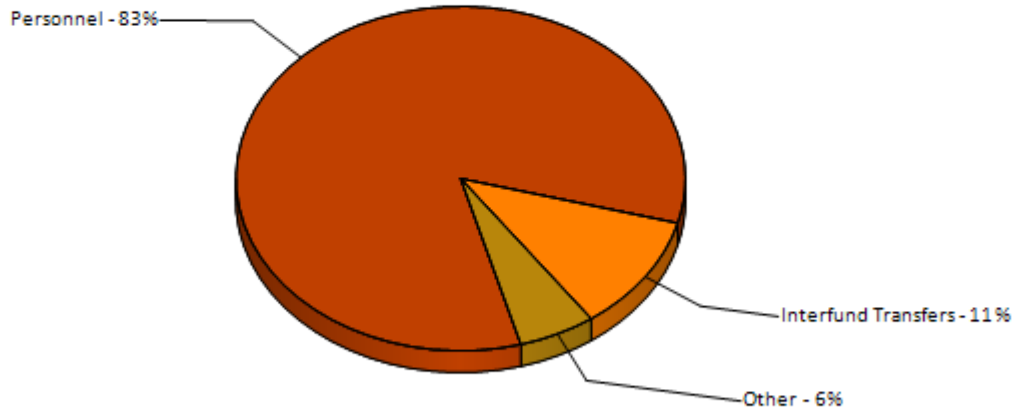
Budget Snapshot

Department Support	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
General Fund Support	\$6,073,342	\$6,206,560	\$6,364,599	\$6,552,710
Total Operations	\$6,073,342	\$6,206,560	\$6,364,599	\$6,552,710
Total Appropriations	\$6,073,342	\$6,206,560	\$6,364,599	\$6,552,710
Full-time Equivalent Total*	35.00	35.00	35.00	40.50

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

City Budget Office

2018 Proposed Budget - Expenditure by Category



Budget Overview

The 2018 Proposed Budget for the City Budget Office is unchanged, except for a small increase for central cost changes and to reflect the transfer of the Innovation Team from the Office of the Mayor in the 3rd Quarter Supplemental Budget Ordinance.

Incremental Budget Changes

City Budget Office

	2018	
	Budget	FTE
Total 2018 Endorsed Budget	\$ 6,364,599	35.00
Baseline Changes		
Citywide Adjustments for Standard Cost Changes	-\$ 4,519	0.00
Supplemental Budget Changes	\$ 192,630	5.50
Total Incremental Changes	\$ 188,111	5.50
2018 Proposed Budget	\$ 6,552,710	40.50

City Budget Office

Descriptions of Incremental Budget Changes

Baseline Changes

Citywide Adjustments for Standard Cost Changes - (\$4,519)

Citywide technical adjustments made in the baseline phase reflect changes to internal services costs, health care, and industrial insurance charges for the department. These adjustments reflect initial assumptions about these costs and inflators early in the budget process.

Supplemental Budget Changes - \$192,630/5.50 FTE

This adjustment reflects changes made through supplemental budget legislation since the last adopted budget. Supplemental budget legislation is developed by the Executive and adopted by the City Council four times a year to provide for corrections to the adopted budget, unforeseen changes in circumstance, new funding opportunities or new policy priorities. These changes may include additions or reductions in appropriations and FTEs. The 3rd Quarter Supplemental Budget Ordinance transfers the Innovation Team from the Office of the Mayor to the City Budget Office. This includes an ongoing Executive 2 position and funding, as well as 4.5 FTEs that sunset in 2018 due to the expiration of Bloomberg Philanthropies support.

Expenditure Overview

Appropriations	Summit Code	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
City Budget Office Budget Control Level	CZ000	6,073,342	6,206,560	6,364,599	6,552,710
Department Total		6,073,342	6,206,560	6,364,599	6,552,710
Department Full-time Equivalent Total*		35.00	35.00	35.00	40.50

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

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.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
City Budget Office	6,073,342	6,206,560	6,364,599	6,552,710
Total	6,073,342	6,206,560	6,364,599	6,552,710
Full-time Equivalents Total*	35.00	35.00	35.00	40.50

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

Office for Civil Rights

Patricia Lally, Director

(206) 684-4500

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

Department Overview

The Office for Civil Rights (OCR) works to achieve equity and advance opportunity in Seattle by:

- developing policies and promoting partnerships to achieve racial equity and social justice;
- enforcing City, state and federal anti-discrimination laws that guarantee equal access to housing, employment, public accommodations, contracting, lending and protection against conversion therapy provided to minors;
- developing and conducting testing for discrimination in employment hiring and housing based on race, national origin, sexual orientation, gender identity and disability;
- staffing the Seattle Human Rights Commission, Seattle Women's Commission, Seattle Lesbian Gay Bisexual Transgender Commission, and the Seattle Commission for People with disAbilities;
- administering the Title VI program of the 1964 Civil Rights Act, which relates to physical access to governmental facilities, projects, and programs, and Title II complaints alleging discrimination on the basis of disability in the provision of services, activities, programs or benefits by the City;
- offering free Civil Rights technical assistance and outreach to businesses, community groups, and the general public, including immigrants, people of color, women, people with disabilities, and lesbian, gay, bisexual, transgender and queer communities; and
- making available a wide array of civil rights information, including translations into other languages.

OCR leads the City's Race and Social Justice Initiative. The goals of the initiative are to end institutional racism in City government; promote inclusion and full participation of all residents in civic life; and partner with the community to achieve racial equity across Seattle. In working to achieve these goals, OCR conducts Race and Social Justice trainings, including Racial Equity Toolkit training, for all City staff and/or departments, community organizations and educational institutions.

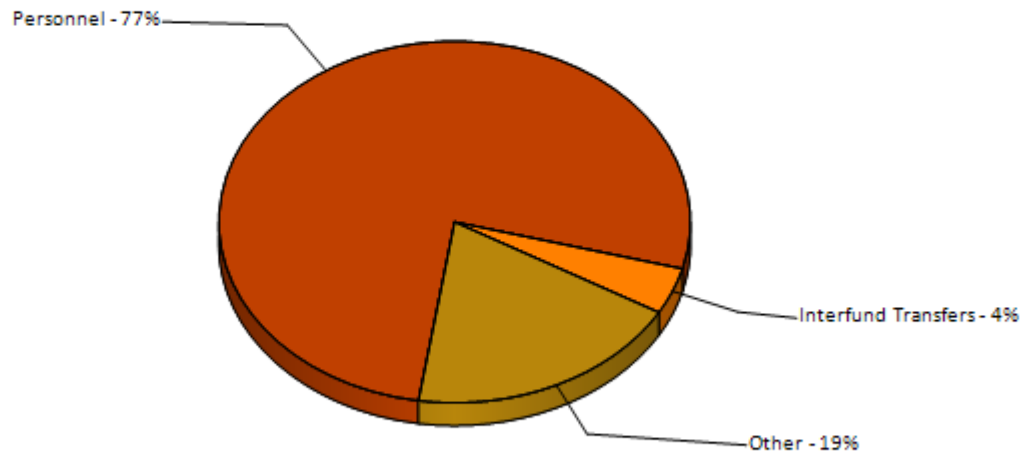
Budget Snapshot

Department Support	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
General Fund Support	\$4,567,634	\$4,169,049	\$4,327,610	\$4,343,114
Total Operations	\$4,567,634	\$4,169,049	\$4,327,610	\$4,343,114
Total Appropriations	\$4,567,634	\$4,169,049	\$4,327,610	\$4,343,114
Full-time Equivalent Total*	25.25	27.25	27.25	28.00

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

Office for Civil Rights

2018 Proposed Budget - Expenditure by Category



Budget Overview

The Office for Civil Rights' (OCR) role has expanded over the last four years. The 2016 Adopted Budget added resources to OCR to work on criminal justice equity. In 2017, support was increased for outreach and enforcement related to Source of Income ([Ordinance 125114](#)) and Conversion Therapy ([Ordinance 125100](#)).

In 2017, the City Council enacted the Fair Chance Housing ordinance ([Ordinance 125393](#)) to prevent landlords from screening applicants based on criminal convictions, and prohibit the use of advertising language that categorically excludes people with arrests or conviction records. The 2018 Proposed Budget provides funding for OCR to conduct outreach and education on the new ordinance to landlords and tenants.

OCR's responsibilities related to the City's Race and Social Justice Initiative (RSJI) have continued to grow since the initiative began ten years ago. To increase OCR's capacity to support departments and Citywide initiatives, the 2018 Proposed Budget includes funding and position authority to increase two part-time RSJI positions to full time.

Office for Civil Rights

Incremental Budget Changes

Office for Civil Rights

	2018	
	Budget	FTE
Total 2018 Endorsed Budget	\$ 4,327,610	27.25
Baseline Changes		
Citywide Adjustments for Standard Cost Changes	-\$ 147,248	0.00
Position Reclassifications	\$ 34,692	0.00
Proposed Changes		
Fair Chance Housing Outreach	\$ 50,000	0.00
Increase Staffing for RSJI	\$ 78,060	0.75
Total Incremental Changes	\$ 15,504	0.75
2018 Proposed Budget	\$ 4,343,114	28.00

Descriptions of Incremental Budget Changes

Baseline Changes

Citywide Adjustments for Standard Cost Changes - (\$147,248)

Citywide technical adjustments made in the baseline phase reflect changes to internal services costs, health care, and industrial insurance charges for the department. These adjustments reflect initial assumptions about these costs and inflators early in the budget process.

Position Reclassifications - \$34,692

This change adds ongoing funding for the Office for Civil Rights to pay salary costs associated with two position reclassifications.

Proposed Changes

Fair Chance Housing Outreach - \$50,000

In 2017, the City Council enacted the Fair Chance Housing ordinance ([Ordinance 125393](#)) to prevent landlords from screening applicants based on criminal convictions, and prohibit the use of advertising language that categorically excludes people with arrests or conviction records. This one-time item adds \$50,000 for the Office for Civil Rights to conduct outreach and education on the new ordinance to landlords and tenants.

Office for Civil Rights

Increase Staffing for RSJI - \$78,060/.75 FTE

The Office for Civil Rights' (OCR) responsibilities related to the City's Race and Social Justice Initiative (RSJI) have continued to grow since the initiative began ten years ago. As Seattle City departments are increasingly responsible for incorporating racial equity in their programs, services and initiatives, OCR is called upon to provide training and expertise. To increase OCR's capacity to support departments and Citywide initiatives, this item includes funding and position authority to increase two part-time RSJI positions to full time. Increased staffing will allow the office to accommodate requests for additional RSJI trainings and technical assistance on departments' Racial Equity Toolkits.

Expenditure Overview

Appropriations	Summit Code	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Civil Rights Budget Control Level	X1R00	4,567,634	4,169,049	4,327,610	4,343,114
Department Total		4,567,634	4,169,049	4,327,610	4,343,114

Department Full-time Equivalents Total*	25.25	27.25	27.25	28.00
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* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

Appropriations By Budget Control Level (BCL) and Program

Civil Rights Budget Control Level

The purpose of the Civil Rights Budget Control Level is to encourage and promote equal access and opportunity, diverse participation, and social and economic equity in Seattle. OCR works to eliminate discrimination in employment, housing, public accommodations, contracting, and lending in Seattle through enforcement, and policy and outreach activities. In addition, OCR is responsible for directing the Race and Social Justice Initiative, which leads other City departments to design and implement programs that help eliminate institutionalized racism.

	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Program Expenditures				
Civil Rights	4,567,634	4,169,049	4,327,610	4,343,114
Total	4,567,634	4,169,049	4,327,610	4,343,114
Full-time Equivalents Total*	25.25	27.25	27.25	28.00

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

Civil Service Commissions

Jennifer A. Greenlee, Executive Director

(206) 233-7118

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

Department Overview

The **Civil Service Commissions** is the administrative entity serving both the Civil Service Commission and the Public Safety Civil Service Commission that are both 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 the City Council regarding the administration of the personnel system.

In addition, the CSC investigates allegations of political patronage to ensure the City's hiring practices are established and carried out in accordance with the merit principles set forth in the City Charter. The CSC conducts public hearings on personnel related issues and may propose changes to personnel rules, policies, and laws to the Mayor and the City Council.

The purpose of the **Public Safety Civil Service Commission (PSCSC)** is to implement, administer, and direct a civil service system for sworn personnel of the Seattle Police Department and uniformed personnel of the Seattle Fire Department. The PSCSC provides sworn police and uniformed fire employees with a quasi-judicial process for hearings on appeals concerning disciplinary actions, examination and testing, and other related issues.

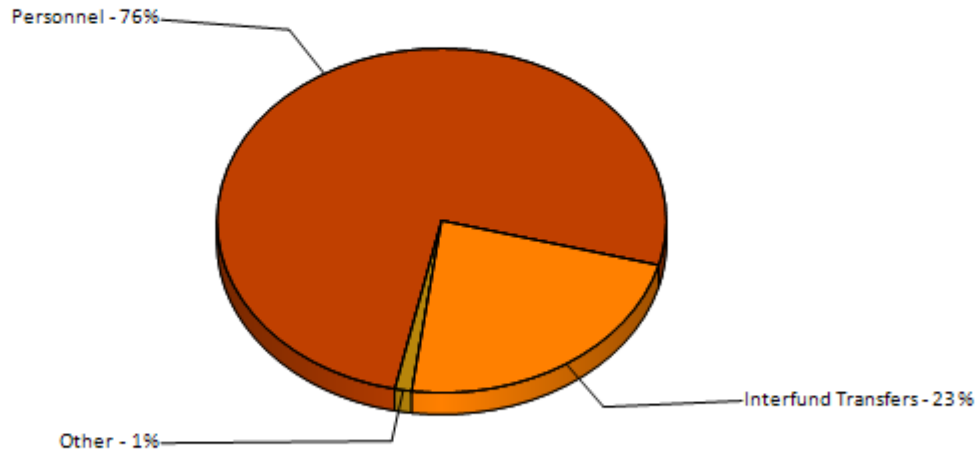
Budget Snapshot

Department Support	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
General Fund Support	\$474,087	\$489,344	\$501,809	\$487,369
Total Operations	\$474,087	\$489,344	\$501,809	\$487,369
Total Appropriations	\$474,087	\$489,344	\$501,809	\$487,369
Full-time Equivalent Total*	2.60	2.60	2.60	2.60

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

Civil Service Commissions

2018 Proposed Budget - Expenditure by Category



Budget Overview

The 2018 Proposed Budget does not recommend any significant changes to the Civil Service Commissions budget beyond the Citywide technical adjustments described below.

Incremental Budget Changes

Civil Service Commissions

	2018	
	Budget	FTE
Total 2018 Endorsed Budget	\$ 501,809	2.60
Baseline Changes		
Citywide Adjustments for Standard Cost Changes	-\$ 14,440	0.00
Total Incremental Changes	-\$ 14,440	0.00
2018 Proposed Budget	\$ 487,369	2.60

Civil Service Commissions

Descriptions of Incremental Budget Changes

Baseline Changes

Citywide Adjustments for Standard Cost Changes - (\$14,440)

Citywide technical adjustments made in the baseline phase reflect changes to internal services costs, health care, and industrial insurance charges for the department. These adjustments reflect initial assumptions about these costs and inflators early in the budget process.

Expenditure Overview

Appropriations	Summit Code	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Civil Service Commissions Budget Control Level	V1CIV	474,087	489,344	501,809	487,369
Department Total		474,087	489,344	501,809	487,369

Department Full-time Equivalents Total*	2.60	2.60	2.60	2.60
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* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

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.

Program Expenditures	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Civil Service Commissions	474,087	489,344	501,809	487,369
Total	474,087	489,344	501,809	487,369
Full-time Equivalents Total*	2.60	2.60	2.60	2.60

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

Employees' Retirement System

Jeff Davis, Executive Director

(206) 386-1293

<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 9,150 active employee members, 2,350 terminated employee members and 6,400 retired employee members participate in the plan.

The provisions of the plan are set forth in Chapter 4.36 of the Seattle Municipal Code. The plan is a "defined benefit plan" which means an employee's salary, years of service, and age at the time of retirement are used to determine the amount of retirement benefits. At retirement, members are given a choice of several payment options to collect their retirement benefit. The Retirement System is led by a seven-member Board of Administration and an Executive Director appointed by the Board.

Please note that the appropriations detailed in the following tables reflect only the costs to administer the system and do not reflect payment of retiree benefits. For additional details on retiree benefit payments, please visit the Retirement website: <http://www.seattle.gov/retirement/>

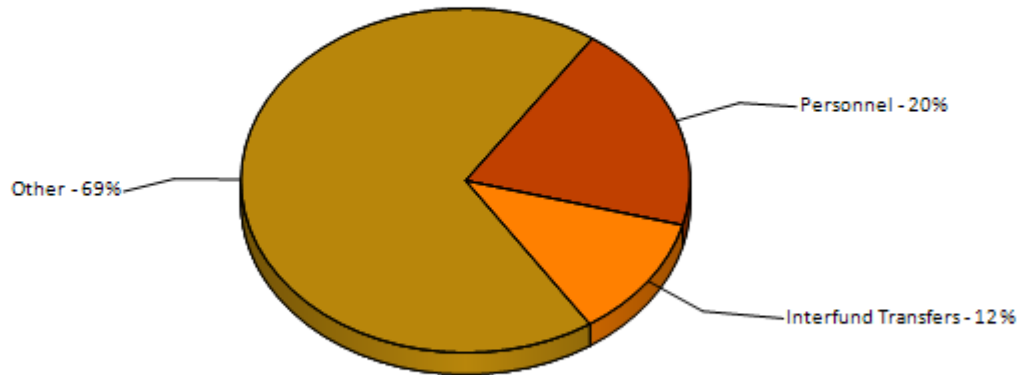
Budget Snapshot

Department Support	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Other Funding - Operating	\$18,055,606	\$20,445,962	\$19,473,544	\$19,231,409
Total Operations	\$18,055,606	\$20,445,962	\$19,473,544	\$19,231,409
Total Appropriations	\$18,055,606	\$20,445,962	\$19,473,544	\$19,231,409
Full-time Equivalent Total*	20.00	21.00	21.00	21.00

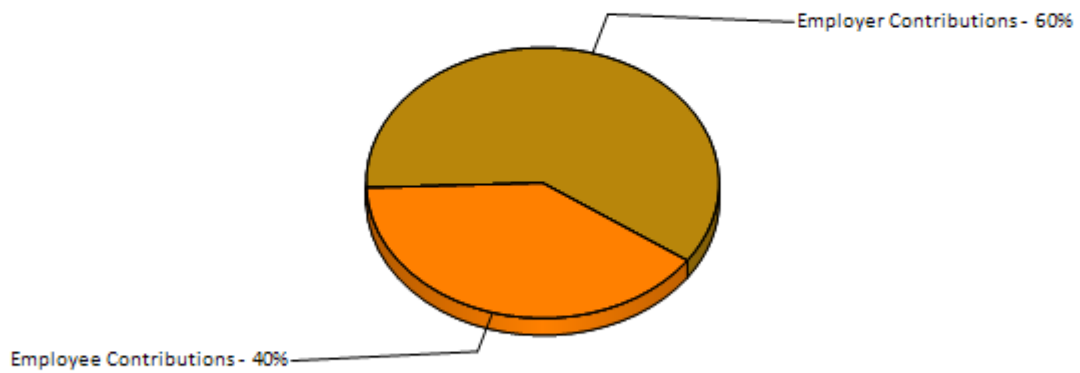
** FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.*

Employees' Retirement System

2018 Proposed Budget - Expenditure by Category



2018 Proposed Budget - Revenue by Category



Employees' Retirement System

Budget Overview

The Seattle City Employees Retirement System (SCERS) relies on the long-term health of its assets to sustain its long-term financial obligations to SCERS members. The long-term health of SCERS is measured by the annual January 1 funding status, a percentage that represents the value of the asset portfolio over the reserves needed to pay retirement benefits to employees.

In 2008, SCERS held net assets worth \$2.1 billion with a 92% funded status, a level considered healthy by most standards. However, SCERS experienced large investment losses in the 2008 economic downturn and its net assets fell to \$1.6 billion by 2010 with a 62% funded status. In 2017, the funded status has increased to 68.1%. Although the current level remains lower than the 2008 funded status, SCERS has made several changes over the last several years to positively impact the funding status over the long-term.

Pension Plan for New Employees Hired On or After January 1, 2017

The City began evaluating plan changes in 2012 to reduce the cost of the plan for employees and the City and thereby enhance SCERS' fiscal stability over the long run, while still maintaining an adequate retirement benefit for employees. In 2016, the City and labor unions agreed, and the Council approved, a new defined benefit plan (SCERS II) for new employees hired on or after January 1, 2017. SCERS II has a similar structure to the existing plan (SCERS I).

Under SCERS II, there is an estimated 3.9% combined savings for annual employer and employee contributions. Members of the new plan will contribute 7% of their salary toward their retirement benefit, compared to 10.03% under SCERS I. Given the lower contributions into the plan, the new SCERS II plan will provide a retirement benefit that is somewhat less generous than the current benefit, but consistent with the design of the current SCERS I plan, it will still provide City retirees with an adequate retirement income when combined with Social Security.

SCERS I and SCERS II have the following key differences:

- Monthly Pension Benefit Calculation
 - SCERS I: 2.00% multiplied by total years of service multiplied by the final average salary during 24 consecutive months
 - SCERS II: 1.75% multiplied by total years of service multiplied by the final average salary during 60 consecutive months
- Employee Contribution Rate
 - SCERS I: 10.03% of salary
 - SCERS II: 7.00% of salary
- 2018 Employer Contribution Rate
 - SCERS I: 15.23% of salary
 - SCERS II: 14.36% of salary (estimated)
- Normal Retirement Age
 - SCERS I: "Rule of 80" - lesser of 65 or when an employee's age plus service equals 80
 - SCERS II: "Rule of 85" - lesser of 65 or when an employee's age plus service equals 85
- Minimum Retirement Age
 - SCERS I: 52 years
 - SCERS II: 55 years

SCERS is using existing resources to support the implementation and management of SCERS II so the 2018 Proposed Budget does not include any changes related to SCERS II.

Additional Information

Employee Contributions: The plan's actuaries determine an "annual required contribution" (ARC) into SCERS so

Employees' Retirement System

that its assets grow in tandem with the pension costs that rise as new employees join SCERS, salaries increase and retirees live longer. SCERS enhanced the plan in 2013 by revising its ARC calculation so that SCERS will be fully funded after a fixed 30-year period beginning January 1, 2013 and ending January 1, 2043.

- SCERS I members (employees hired before January 1, 2017) contribute 10.03% of their salary into SCERS I, per City labor contract agreements. The City agrees to pay the remaining ARC beyond 10.03% for SCERS I members.
- SCERS II members (employees hired on or after January 1, 2017) contribute 7% of their salary into SCERS II, per City labor contract agreements. The City agrees to pay the remaining ARC beyond 7% for SCERS II members.

Employer Contributions:

- SCERS I: The City will contribute 15.23% of salary for SCERS I members.
- SCERS II: The employer contribution rate is approximately 14.36% of salary for SCERS II members.

Investment Return Assumption: In January 2014, SCERS decreased its long-term investment return assumption from 7.75% to 7.50%. The updated investment return assumption anticipates a slower asset growth. However, it raises the ARC so that the plan relies more on employee and employer contributions that are based on salaries which are less volatile than the investment returns affected by portfolio experience and the economy.

Asset Smoothing: SCERS implemented an asset smoothing policy in 2011 to protect the funded status from volatile year-to-year swings by recognizing annual investment return gains and losses evenly over five years. This policy results in gradual changes in the ARC so the City's contribution is more stable.

Incremental Budget Changes

Employees' Retirement System

	2018	
	Budget	FTE
Total 2018 Endorsed Budget	\$ 19,473,544	21.00
Baseline Changes		
Citywide Adjustments for Standard Cost Changes	-\$ 242,135	0.00
Total Incremental Changes	-\$ 242,135	0.00
2018 Proposed Budget	\$ 19,231,409	21.00

Employees' Retirement System

Descriptions of Incremental Budget Changes

Baseline Changes

Citywide Adjustments for Standard Cost Changes - (\$242,135)

Citywide technical adjustments made in the baseline phase reflect changes to internal services costs, health care, and industrial insurance charges for the department that differed from assumptions about these costs and inflators in the 2018 Endorsed Budget.

Expenditure Overview

Appropriations	Summit Code	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Employee Benefit Management Budget Control Level	R1E00	18,055,606	20,445,962	19,473,544	19,231,409
Department Total		18,055,606	20,445,962	19,473,544	19,231,409

Department Full-time Equivalents Total*	20.00	21.00	21.00	21.00
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* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

Revenue Overview

2018 Estimated Revenues

Summit Code	Source	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
469610	Employee Contributions	7,169,348	8,099,250	7,726,252	7,636,225
	Total Employee Contributions	7,169,348	8,099,250	7,726,252	7,636,225
569510	Employer Contributions	10,886,258	12,346,712	11,747,292	11,595,184
	Total Employer Contributions	10,886,258	12,346,712	11,747,292	11,595,184
	Total Revenues	18,055,606	20,445,962	19,473,544	19,231,409
	Total Resources	18,055,606	20,445,962	19,473,544	19,231,409

Employees' Retirement System

Appropriations By Budget Control Level (BCL) and Program

Employee Benefit Management Budget Control Level

The purpose of the Employees' Retirement Budget Control Level is to manage and administer retirement assets and benefits.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Employees' Retirement	18,055,606	20,445,962	19,473,544	19,231,409
Total	18,055,606	20,445,962	19,473,544	19,231,409
Full-time Equivalents Total*	20.00	21.00	21.00	21.00

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

Ethics and Elections Commission

Wayne Barnett, Executive Director

(206) 684-8500

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

Department Overview

The Seattle Ethics and Elections Commission (SEEC) helps foster public confidence in the integrity of Seattle city government by providing education, training, and enforcement of the City's Ethics Code, Whistleblower Code, and lobbying regulations. It also promotes informed elections through education, training, and enforcement of the City's Elections Code and Election Pamphlet Code. With the passage of [Initiative 122](#) in November 2015, the Commission now administers and funds the Election Voucher program.

The Commission's work on behalf of the City of Seattle centers around five main lines of business:

Ethics Code: The Commission conducts ethics training for all City of Seattle employees upon request and through the City's New Employee and New Supervisor Orientation programs. It also provides ethics training information for City employees via the City's intranet site. The Commission issues advisory opinions regarding interpretations of the Code of Ethics and also investigates and rules upon alleged violations of the Code. Thirty years of formal advisory opinions, organized and searchable by topic, are available on the Commission's website.

Whistleblower Code: The Commission helps to protect an employee's right to report improper governmental action and to be free from possible retaliation as a result of such reporting. The Commission either investigates allegations of improper governmental actions itself or refers allegations to the appropriate agency.

Elections Code and Election Pamphlets Code: The Commission fulfills the public's mandate of full campaign disclosure by:

- training organizations required to report campaign contributions and expenditures in proper reporting procedures;
- auditing every organization that files campaign reports;
- working with organizations to correct errors; and
- making all campaign finance information available to the public.

Since 1993, the Commission has made summary reports of campaign financing information available to the public, and since 1995, the Commission has published campaign financing information on its website. The Commission also produces voters' pamphlets for City elections and ballot measures. It makes these pamphlets available in several languages and produces a video voters' guide with King County.

Lobbying Regulations: The Commission is charged with administering the City's lobbying regulations. The Commission collects and posts information so that citizens know who is lobbying and how much they are being paid to lobby. The Commission also enforces compliance with the lobbying regulations.

Elections Voucher Program: The Commission administers the Elections Voucher Program which was approved with the passage of I-122 in November 2015. The primary goal of the program is to provide \$100 in vouchers to eligible Seattle residents so that they can contribute to candidates for City office who qualify to participate in the program.

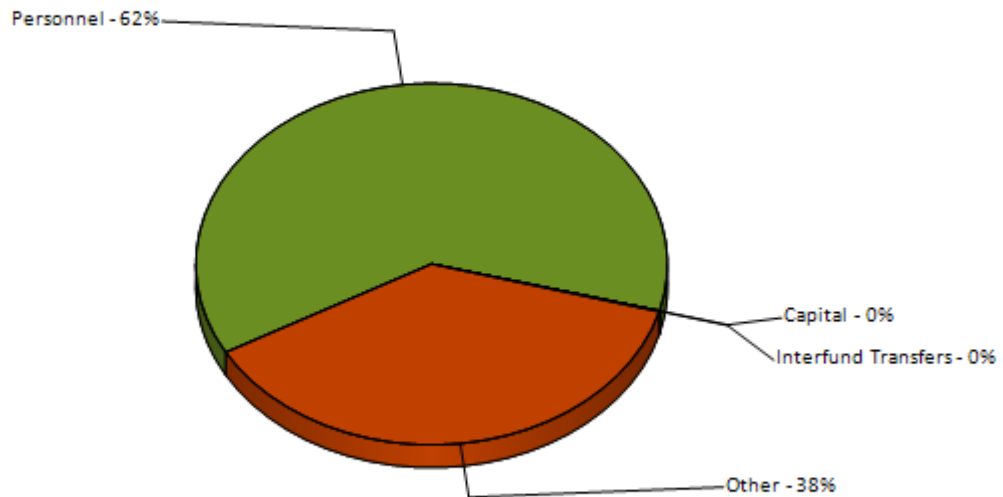
Ethics and Elections Commission

Budget Snapshot

Department Support	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
General Fund Support	\$806,374	\$723,675	\$745,729	\$758,669
Other Funding - Operating	\$1,015,136	\$4,281,316	\$708,622	\$708,503
Total Operations	\$1,821,510	\$5,004,991	\$1,454,351	\$1,467,172
Total Appropriations	\$1,821,510	\$5,004,991	\$1,454,351	\$1,467,172
Full-time Equivalent Total*	4.90	5.90	5.90	5.90

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

2018 Proposed Budget - Expenditure by Category



Ethics and Elections Commission

Budget Overview

There are no significant changes to the SEEC's 2018 Endorsed Budget. The proposed budget maintains support to the SEEC and preserves the direct services it provides for the City of Seattle.

Incremental Budget Changes

Ethics and Elections Commission

	2018	
	Budget	FTE
Total 2018 Endorsed Budget	\$ 1,454,351	5.90
Baseline Changes		
Citywide Adjustments for Standard Cost Changes	\$ 12,821	0.00
Total Incremental Changes	\$ 12,821	0.00
2018 Proposed Budget	\$ 1,467,172	5.90

Descriptions of Incremental Budget Changes

Baseline Changes

Citywide Adjustments for Standard Cost Changes - \$12,821

Citywide technical adjustments made in the baseline phase reflect changes to internal services costs, health care, and industrial insurance charges for the department. These adjustments reflect initial assumptions about these costs and inflators early in the budget process.

Ethics and Elections Commission

Expenditure Overview

Appropriations	Summit Code	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Election Vouchers Budget Control Level	VT123	1,015,136	4,281,316	708,622	708,503
Ethics and Elections Budget Control Level	V1T00	806,374	723,675	745,729	758,669
Department Total		1,821,510	5,004,991	1,454,351	1,467,172

Department Full-time Equivalent Total*	4.90	5.90	5.90	5.90
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* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

Revenue Overview

2018 Estimated Revenues

Summit Code	Source	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
411100	Real and Personal Property Tax	2,959,464	3,000,000	3,000,000	3,000,000
	Total Property Tax	2,959,464	3,000,000	3,000,000	3,000,000
	Total Revenues	2,959,464	3,000,000	3,000,000	3,000,000
411100	Use of (contribution to) Fund Balance	-1,944,328	1,281,316	-2,291,338	-2,291,497
	Total Use of (contribution to) Fund Balance	-1,944,328	1,281,316	-2,291,338	-2,291,497
	Total Resources	1,015,136	4,281,316	708,662	708,503

Ethics and Elections Commission

Appropriations By Budget Control Level (BCL) and Program

Election Vouchers Budget Control Level

The purpose of the Election Voucher Budget Control Level is to pay costs associated with implementing, maintaining and funding a program for providing one hundred dollars in vouchers to eligible Seattle residents that they can contribute to candidates for City office who qualify to participate in the Election Voucher program enacted by voters in November 2015.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Election Vouchers	1,015,136	4,281,316	708,622	708,503
Total	1,015,136	4,281,316	708,622	708,503
Full-time Equivalents Total*	0.00	1.00	1.00	1.00

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

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; and 3) publish and broadly distribute information about the City's ethical standards, City election campaigns, campaign financial disclosure statements, and lobbyist disclosure statements.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Ethics and Elections	806,374	723,675	745,729	758,669
Total	806,374	723,675	745,729	758,669
Full-time Equivalents Total*	4.90	4.90	4.90	4.90

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

Ethics and Elections Commission

Ethics and Elections Fund Table

Election Vouchers Fund

	2016 Actuals	2017 Adopted	2017 Revised	2018 Endorsed	2018 Proposed
Beginning Fund Balance	0	1,932,806	1,944,328	651,490	2,897,261
Accounting and Technical Adjustments	0	0	0	0	0
Plus: Actual and Estimated Revenues	2,959,464	3,000,000	3,000,000	3,000,000	3,000,000
Less: Actual and Budgeted Expenditures	1,015,136	4,281,316	2,047,067	708,622	708,503
Ending Fund Balance	1,944,328	651,490	2,897,261	2,942,868	5,188,758
Ending Unreserved Fund Balance	1,944,328	651,490	2,897,261	2,942,868	5,188,758

Department of Finance & Administrative Services

Fred Podesta, Director

(206) 386-0041

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

Department Overview

The Department of Finance and Administrative Services (FAS), with more than 600 employees represented by 16 different unions, has the most diverse set of responsibilities of any City department. In addition to the services FAS provides directly to its external customers, FAS also provides behind-the-scenes services to internal customers (all City departments), which support the work City departments do on the public's behalf. FAS's work can be broken into four categories, though there is much overlap among them.

Customer Service

FAS is often the first stop for the public to interact with City government. This contact may come through the City's Customer Service Bureau, the Downtown Customer Service Center or the six customer service centers located throughout the city, or through the Mobile Customer Service Center which launched in late 2016. Over the phone, online and in person, customers can get information, request services, pay bills, resolve problems and voice opinions. FAS supports transparency in City work by providing Citywide coordination and guidance on public disclosure, and by helping customers clarify requests so they receive the information they are seeking either from FAS or from other departments. In addition, FAS oversees the City's efforts to comply with Title II of the Americans with Disabilities Act and the Washington State Public Records Act. Finally, through the Seattle Animal Shelter, FAS advocates for animal welfare, reunites lost animals with their owners and finds suitable owners to adopt homeless animals.

Regulation and Oversight

FAS ensures that all businesses operating in Seattle are properly licensed and paying required business and occupation taxes. FAS issues regulatory licenses for certain businesses types - including taxis, transportation network company and for-hire vehicles, adult entertainment venues, door-to-door salespeople, recreational marijuana establishments and trade shows - and enforces requirements related to those licenses. FAS also monitors certain types of businesses to increase consumer safety and ensure proper charges for services. This includes setting rate caps for private property tows, as well as ensuring consumers are not overcharged due to an inaccurate device, such as a gas pump or a supermarket scanner or scale. As the central coordinator for City contracting, FAS establishes policies and procedures to ensure fair competition for City-funded construction projects and oversees programs to ensure everyone in the community has equal access to jobs and opportunities involving those projects. As part of these efforts, FAS administers the City's Priority Hire program to increase employment within the construction trades among women, people of color and/or those living in economically distressed ZIP codes. FAS also enforces animal-related ordinances, including the investigation of animal cruelty, neglect and abuse.

Financial Services

The City Finance Director is located within FAS and oversees functions that ensure the City's financial health. These functions include managing City debt, purchasing insurance, and overseeing City investments, all of which

Department of Finance and Administrative Services

are essential to financial planning and budgeting. FAS also manages claims for damages against the City, balancing proper stewardship of taxpayer dollars when settling a claim with fairness to claimants. FAS oversees the City's accounting system, as well as payroll and treasury services, ensuring revenue is collected and vendors and staff are properly paid in a timely manner. Finally, FAS helps administer the City's three retirement systems: Employees' Retirement System, Firefighters' Pension Fund and the Police Relief and Pension Fund.

Operational Services

FAS designs, builds and maintains most City-owned buildings, including Seattle City Hall, the Seattle Municipal Tower, the Justice Center, the Joint Training Facility, 33 neighborhood fire stations and five police stations. When departments need to acquire property or when the City no longer has a purpose for property, FAS is responsible for managing the acquisition or disposition of the property. FAS also maintains the City's vehicle fleet, which includes police patrol cars, fire engines and heavy equipment. Departments have relied on FAS to build and maintain the technology that supports the City's financial management, payroll and personnel records management systems. Many of these information technology (IT) functions transitioned to the new Seattle IT department in mid-2016. FAS also negotiates purchasing contracts on behalf of all City departments and establishes purchasing guidelines for departments.

FAS's budget is split into the following eight functional areas:

- Capital Development and Construction Management, which manages the design and construction of City facilities, including upgrading, renovating, or replacing neighborhood fire stations, as well as renovations, asset preservation projects, tenant improvements, and sustainability and 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 all City departments adhere to the City's policy goals related to social equity and environmental stewardship.
- Facility Operations, which manages more than 150 public buildings and facilities, covering 3.7 million square feet, including office space, parking garages, police and fire stations, community facilities and maintenance shops; procures leased space for City tenants when needed; plans and acquires new and expanded City facilities; and disposes of surplus City property.
- City Finance, which receives City revenue and provides Citywide financial services, including debt management, treasury, Citywide accounting (includes producing the Comprehensive Annual Financial Report, City investments and payroll, including producing paychecks for more than 12,000 current and retired employees), business licensing, tax administration and risk management, which includes claims settlements.
- Fleet Services, which buys and provides maintenance, motor pool, and fueling services for more than 4,000 vehicles and heavy equipment while supporting environmentally sustainable fleet goals and practices.
- Regulatory Compliance and Consumer Protection provides a variety of regulatory services, such as overseeing Seattle's taxicab, transportation network company and for-hire vehicle industry, and consumer protection services, such as the Weights and Measures program.
- Seattle Animal Shelter, which promotes public safety and animal welfare, enforces Seattle's laws regarding animals, runs animal sheltering and adoption programs, and manages a spay and neuter clinic, working with more than 5,500 animals a year, from dogs and cats to chickens and goats.
- Office of Constituent Services, which provides customer service interface for the City's constituents through the Customer Service Bureau and at seven customer service centers, responding to more than 232,000 constituent contacts each year.

In 2016, the Business Technology division of FAS was dissolved as part of the IT consolidation with many positions and functions transferring to Seattle IT. 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

Department of Finance and Administrative Services

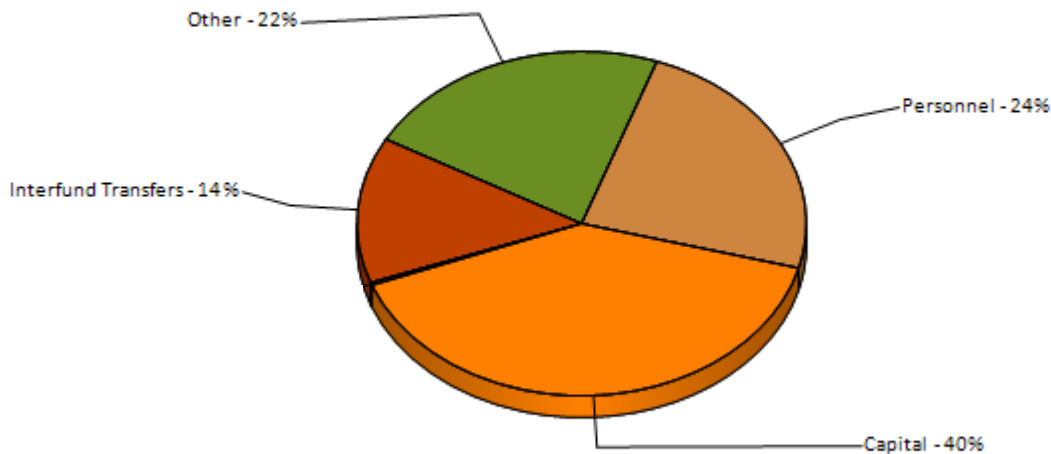
individuals. FAS also collects certain fees specifically to pay for its services, such as the Seattle Animal Shelter Spay and Neuter Clinic, pet licensing, the Weights and Measures program and for-hire driver licenses. Finally, FAS receives General Fund support from the City to pay for certain financial services, as well as administration of the City's taxes and business licensing services.

Budget Snapshot

Department Support	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
General Fund Support	\$29,614,281	\$28,141,267	\$29,301,551	\$31,623,817
Other Funding - Operating	\$162,521,420	\$174,101,638	\$168,695,409	\$170,316,808
Total Operations	\$192,135,701	\$202,242,905	\$197,996,960	\$201,940,625
Other funding - Capital	\$82,212,579	\$66,990,200	\$44,365,210	\$53,456,928
Total Appropriations	\$274,348,280	\$269,233,105	\$242,362,170	\$255,397,553
Full-time Equivalent Total*	641.50	625.00	620.50	627.50

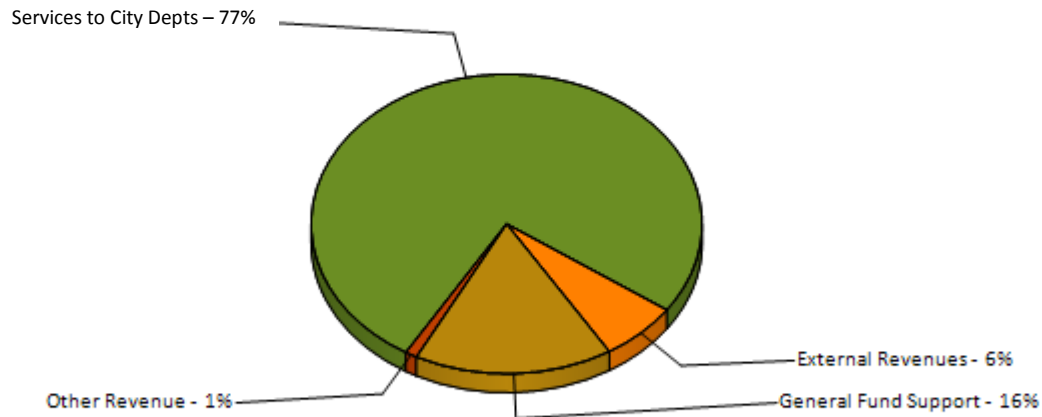
** FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.*

2018 Proposed Budget - Expenditure by Category



Department of Finance and Administrative Services

2018 Proposed Budget - Revenue by Category



Budget Overview

As an internal service department, the Department of Finance and Administrative Services (FAS) bills many of its functions to other City departments through central rates and allocations in exchange for services provided. For example, FAS supports all City departments through its fleets, facilities, customer service, finance, contracting and purchasing functions. FAS also performs general government functions, like business licensing and tax collection, consumer protection, and the Seattle Animal Shelter, which are supported by General Fund transfers.

The 2018 Proposed Budget sustains and adds resources for the coordination of City departments as part of the Homelessness State of Emergency and includes staffing to address new and evolving bodies of work in the City Finance division. It also provides resources to the Citywide ADA Title II Compliance program to better to meet the needs of both community members and City employees. The 2018 Proposed Budget adds ongoing funding for two innovative programs in City Contracting and Purchasing Services that are intended to assist Women and Minority-Owned (WMBE) businesses and to offer additional support to both workers and companies who may benefit from the existing, successful Priority Hire program.

Some of the items listed above are offset by a combination of operating efficiencies and increased revenues to avoid large rate increases to departments and minimal General Fund impacts. Examples include a revenue increase from passport renewals processed at City Customer Service Centers and modestly increased fees for some regulatory licenses and some fees at the Seattle Animal Shelter.

Connecting Individuals Living Unsheltered with Services

Like many departments, FAS plays a role in the City's unified response to homelessness and outreach to those who are experiencing homelessness. In 2018 FAS will create the Emergency Homelessness Response program, which will coordinate all Citywide actions and operationalize the policies developed by City stakeholders and the

Department of Finance and Administrative Services

[Multidepartment Administrative Rules](#) (MDARs) that guide those policies' execution. To reflect this central function, the 2018 Proposed Budget transfers the City Director of Homelessness position from the Office of the Mayor to FAS. Currently, various FAS executive staff work together to lead the department's response work, and the position transfer will both enable a more direct focus and allow FAS staff to return to deeper engagement with their existing work programs.

In response to the Homelessness State of Emergency declared by the City in late 2015, FAS added two positions that were funded through the end of 2017. These two positions became members of the Navigation Team, a multidisciplinary team designed to bring citywide outreach engagement under a single, unified organizational structure that emphasizes the collection and analysis of data. For more information about the Navigation Team and how the FAS Office of Emergency Homelessness Response staff supports work in other City Departments, see the Human Services Department budget section.

Since the formation of the Navigation Team, hazardous encampment sites have been cleaned up more quickly and a greater number of people experiencing homelessness have been connected with services. The 2018 Proposed Budget recognizes the impact of the Navigation Team and provides permanent position authority and funding for the Navigation Team outreach coordinator, who provides mental health consultation services, trains others in outreach best practices and works with contracted outreach vendors to ensure that their work supports overall City efforts. It also provides permanent position authority and funding for a part-time administrative staff member who gathers and tracks data and performance metrics related to homelessness response.

Also as part of the Navigation Team, FAS added an emergency position in 2017 to coordinate the implementation of MDARs, to document centrally the work of all City departments, to help site new authorized encampments as the permits for existing encampments expire and to update City policies and procedures concerning encampments. That body of work is central to maintaining the results the City has been able to sustain with 2017 funding, and the 2018 Proposed Budget adds permanent position authority and funding so that it may continue.

The Navigation Team has been working out of the City Emergency Operations Center (EOC) on a temporary basis, but this arrangement cannot continue because the EOC needs to stand ready for activation due to weather conditions or an emergent threat to public well-being. The 2018 Proposed Budget provides resources to rent designated space for all Navigation Team members, which will sustain their efficiency and ability to collaborate. Pending the results of a 2018 needs assessment, additional staff working on vehicular living response may join the Navigation Team at this new location. Finally, the 2018 Proposed Budget includes a reduction in FAS's costs for encampment cleanup and services that will be achieved through a greater reliance on crews from the Department of Parks and Recreation for waste removal and less use of outside contracts. Because of the Navigation Team's focus on data collection and mapping, FAS will be able to direct cleanup and outreach resources at the appropriate staff level to the locations where they are most needed. The Navigation Team provides adequate notice for encampment cleanup, and cleanup always takes place along with offers of safer alternatives and person-centered offerings for those who are living unsheltered. Because of this comprehensive, tailored approach to engagement, service levels have improved.

Improving Customer Service

In 2015, FAS was directed to implement and manage a new program to expand the City's compliance efforts around the Americans with Disabilities Act (ADA) Title II requirements. These requirements provide a framework for the City's efforts to make its programs and services equally accessible and useable to people living with disabilities. The following year FAS staff coordinated a compliance review of 25 City departments, housing 158 programs, that resulted in a report detailing areas of success and opportunities for improvement. The majority of improvement opportunities that were identified related to training that the City could provide to its staff, particularly those who work in front-line customer service and may interact with people living with disabilities. The 2018 Proposed Budget adds funding for FAS staff to work with the Seattle Department of Human Resources to develop online and in-person training curricula on complying with Title II of the ADA. It also provides designated funding for ADA accommodations for FAS-facilitated meetings, ensuring that when FAS staff seeks

Department of Finance and Administrative Services

feedback at internal and external meetings regarding the City's ADA programs, all are able to participate.

Meeting the Expanded Needs of City Finance

The 2018 Proposed Budget addresses two new work programs in the City Finance division that arose during 2017. In June 2017, Council passed [Ordinance 125324](#) approving the Sweetened Beverage Tax (SBT), which will add a per-ounce tax to such beverages distributed in Seattle and dedicate tax revenues to programs that focus on the provision of healthy food, education and child development. The administration and collection of the new tax will be managed by the City Finance division, which receives new funding in the proposed budget for staffing, oversight and maintenance of the SBT data systems and the provision of support to the vendors who are subject to the new tax. For additional information about the City's use of the Sweetened Beverage Tax, see the 2018 Proposed Budget Executive Summary in the Introduction section of the budget.

In February 2017, the Council passed [Ordinance 125257](#), which strengthened the City's policies for conducting its business according to fair business practices and committed the City to not renewing the contract of its current financial-services provider, which expires in 2018. The Council's expectation is that by including fair business practice criteria in awarding contracts, and developing contractual remedies for engagement in unfair business practices, it will have positive impacts in vulnerable or historically disadvantaged communities, which may be disproportionately impacted by unfair business practices. FAS responded to Council's request by creating a new Banking Services program within City Finance and adding 2017 resources, including a manager for the program, to support the new body of work. The proposed budget includes permanent position authority and funding for this new position. The Banking Services Manager will manage the process by which a new financial-services provider is selected and, after that selection, monitor all banking contracts and ensure compliance with socially responsible banking requirements and fair business practices.

The proposed budget also includes funding for staff and administrative expenses that support the formation and administration of the Central Waterfront Local Improvement District (LID). The LID will be funded by property assessments to discrete real estate in the downtown area that will benefit from the Central Waterfront redevelopment plan. The legislative process to begin formation of the LID is anticipated to begin in 2018. The new expenses will be funded by the Central Waterfront Improvement Fund, and more information is available in that section of this book.

Expanding Current Equity Programs

The Council passed [Ordinance 124690](#) in early 2015, creating the City's Priority Hire program, and later that year the City entered into a Community Workforce Agreement (CWA) with local construction unions, committing to work together to create equitable access in construction training and employment for women and people of color and for those in economically distressed ZIP codes. These groups have historically not been well represented in the construction trades, which provide a means to family-wage careers. Priority Hire invests in recruiting a diverse construction workforce and supports these workers on job sites with standardized work rules and a dispute-resolution process. The 2016 Priority Hire Annual Report noted several areas in which the program has had a positive impact:

- Women now work 12% of CWA project hours, compared to 5% as measured against past projects.
- Apprentices of color now work nearly 50% of all apprentice hours on CWA projects, compared to 32% on traditional past projects.
- African Americans now work nearly 10% of CWA project hours, compared to 3% on non-CWA projects and 4% on traditional past projects.
- Seattle residents have doubled their percentage of hours: 12% on CWA projects compared to 5% on traditional past projects.
- Workers in economically distressed neighborhoods in Seattle now perform 10% of CWA project hours, compared to 3% on traditional past projects.

Department of Finance and Administrative Services

The 2018 Proposed Budget adds funding to create the Respectful Workplace Program, a new program that will support Priority Hire's ability to aid entrants to the construction industry. When workers are uncomfortable at a job site, for various reasons they may be reluctant to advocate for themselves. As part of the new program, FAS staff in Contracting and Purchasing Services (CPCS) will work with both construction companies and their workers to clarify behavior expectations and provide information on how they can support and sustain equitable work environments, intervene when needed and report issues on City construction sites. Building on the successes of Priority Hire, the Respectful Workplace Program will help ensure that workplaces are safe, productive, and collaborative spaces for all workers. FAS anticipates that the result of the new program will be that a greater proportion of Priority Hire participants remain in the construction industry after pre-apprenticeship training.

The proposed budget also contains funding for the creation of a new Technical Assistance Center for Women-and Minority-Owned Businesses (WMBEs). The center will serve two purposes. First, it will provide WMBE firms with business and technical resources that will allow them to compete more successfully for public projects. Many WMBE firms are small firms that are less able to absorb administrative overhead within their operating costs, and the center will provide assistance and expertise that the firms do not typically have in house. CPCS staff are surveying WMBE firms to identify their priority needs from a range of services that the Technical Assistance Center could provide. These may be best management practice frameworks, assistance on resolving billing disputes, and help parsing contract language. In addition, the center will work with WMBE firms to help them meet the program requirements for Priority Hire participation. These requirements were established to provide businesses with clear, consistent guidelines for supporting equity in hiring, but they have had the unintended consequence of creating an additional administrative burden for firms that want to participate. The Technical Business Center will lessen that burden, making it possible for Priority Hire to expand its reach.

Recognizing Higher Costs

Finally, the 2018 Proposed Budget addresses ongoing funding needs in FAS for which costs have increased. Although the City owns the Seattle Municipal Tower (SMT), which houses the majority of staff who work for various City departments, the ground underneath the SMT is owned by the Washington State Department of Transportation (WSDOT). In 2017 the City's lease costs associated with the SMT increased substantially with the renewal of the lease on the land.

A smaller funding increase will support FileLocal, which is a multicity agency that operates a single website for the payment of certain local taxes, simplifying users' experience and saving them time. Each of the four currently participating cities (Seattle, Bellevue, Tacoma and Everett) share the operating expenses of the program, the website and the systems that support it.

Department of Finance and Administrative Services

Incremental Budget Changes

Department of Finance & Administrative Services

	2018	
	Budget	FTE
Total 2018 Endorsed Budget	\$ 197,996,960	620.50
 Baseline Changes		
Citywide Adjustments for Standard Cost Changes	\$ 241,170	0.00
Supplemental Budget Changes	\$ 0	0.50
Budget-Neutral Transfers	\$ 0	0.00
Alignment of Budget with Actual Costs	\$ 189,559	0.00
Remove Sunset Status from Operations Position	\$ 0	1.00
 Proposed Changes		
Sustained and Integrated Citywide Response for Individuals Living Unsheltered	\$ 662,819	3.50
Citywide ADA Accommodations and Title II Training	\$ 195,000	0.00
Funding Increase for City Finance	\$ 332,090	2.00
Waterfront LID Administration	\$ 956,000	0.00
Equity Programs in City Contracting	\$ 300,000	0.00
Ground Lease Rent Increase for Seattle Municipal Tower	\$ 0	0.00
Operations Costs of FileLocal Agency	\$ 182,330	0.00
 Proposed Technical Changes		
Technical Adjustments	\$ 1,028,166	0.00
Alignment of Departmental Resources	-\$ 143,469	0.00
 Total Incremental Changes	 \$ 3,943,665	 7.00
 2018 Proposed Budget	 \$ 201,940,625	 627.50

Descriptions of Incremental Budget Changes

Baseline Changes

Citywide Adjustments for Standard Cost Changes - \$241,170

Citywide technical adjustments made in the baseline phase reflect changes to internal services costs, health care, and industrial insurance charges for the department. These adjustments reflect initial assumptions about these costs and inflators early in the budget process. This adjustment also includes the Annual Wage Increase (AWI) for

Department of Finance and Administrative Services

Local 77 Information Technology Professionals B and Cs who were not consolidated into Seattle Information Technology in 2016.

Supplemental Budget Changes - .50 FTE

This adjustment reflects changes made through supplemental budget legislation since the last adopted budget. Supplemental budget legislation is developed by the Executive and adopted by the City Council four times a year to provide for corrections to the adopted budget, unforeseen changes in circumstance, new funding opportunities or new policy priorities. These changes may include additions or reductions in appropriations and FTEs. In the 2016 4th Quarter Supplemental Budget Ordinance, FAS increased a 0.5 FTE Resource Conservation Specialist to 1.0 FTE to support the department's work in improving the energy efficiency of buildings under FAS management and reporting on building energy use.

Budget-Neutral Transfers

These budget-neutral baseline transfers align the existing budget with the program where the expenses are occurring.

Alignment of Budget with Actual Costs - \$189,559

These baseline changes align the budget with actual costs for staffing, vendor contracts, leasing, contracted services and maintenance obligations.

Remove Sunset Status from Operations Position/1.00 FTE

This adjustment removes the sunset status from, and makes permanent, a position in the Operations Division. The position will provide executive-level oversight and management of FAS operations, which have increased in complexity in recent years.

Proposed Changes

Sustained and Integrated Citywide Response for Individuals Living Unsheltered - \$662,819/3.50 FTE

To address concerns from business districts, neighborhoods, human service advocates and individuals experiencing homelessness, the City convened the Task Force on Unsanctioned Encampment Protocols in late 2016 to evaluate the City's response to the growing number of individuals living unsheltered. The task force made a series of recommendations to modify how City departments engage with individuals living in encampments. In February 2017, the City opened the Emergency Operations Center and convened City departments to speed implementation of these recommendations and create a focused, integrated and sustainable Citywide response.

The 2018 Proposed Budget provides funding for this response in several City departments, focused around three key areas:

1. creating safer places for individuals living unsheltered;
2. connecting individuals living unsheltered with services; and
3. reducing the impact of living unsheltered on individuals and the surrounding environment.

FAS connects individuals living unsheltered with services through its role coordinating Citywide homelessness response and operationalizing both the policies developed by the City stakeholders and the Multidepartment Administrative Rules (MDARs) that guide those policies' execution. In 2018 this work will become part of the Emergency Homelessness Response program in FAS. This adjustment aggregates the impacts of multiple changes that together will allow the City to strengthen the Navigation Team, which coordinates across departments to provide outreach and to address the hazards that encampments may pose. It transfers an existing executive

Department of Finance and Administrative Services

position from the Office of the Mayor to FAS, adds a new position and funding to guide and document work on encampments and makes permanent two positions on the Navigation Team that direct and support City response. It also provides funding to locate all Navigation Team staff, for the first time, in a central location that will increase their efficiency and ability to collaborate. The adjustment also includes a reduction in encampment-cleanup costs that will result from a proposed reduction in FAS's use of vendors to perform this work.

Additional funding in the 2018 Proposed Budget related to this Citywide response is part of a single program implemented by multiple departments. For additional information, see the 2018 Proposed Budget Executive Summary in the Introduction section of this proposed budget.

Citywide ADA Accommodations and Title II Training - \$195,000

In 2015, the Mayor and the Council directed FAS to implement and manage a new program to expand the City's compliance efforts around Americans with Disabilities Act (ADA) Title II requirements. These requirements provide a framework for the City's efforts to make its programs and services equally accessible and usable to people living with disabilities. In a continuation of this effort, this item provides funding for accommodations for the hearing or visually impaired that are facilitated by the FAS Citywide ADA Compliance unit. It also provides funding for FAS to work with the Seattle Department of Human Resources to develop a curriculum and training, for City staff, on complying with Title II of the ADA and providing equitable service to the disabled community.

Funding Increase for City Finance - \$332,090/2.00 FTE

In June 2017, Council passed Ordinance 125324 approving the Sweetened Beverage Tax (SBT), which will add a per-ounce tax to such beverages distributed in Seattle and dedicate tax revenues to programs that focus on the provision of healthy food, education and child development. This adjustment includes funding for a new Management Systems Analyst position and resources that support SBT administration. Also included is funding for a new Strategic Advisor 2 position and resources to oversee the City's Request for Proposals (RFP) process and to manage a new banking services program to comply with new fair business practice criteria in awarding contracts. For additional information about the City's use of the Sweetened Beverage Tax, see the 2018 Proposed Budget Executive Summary in the Introduction section of the budget.

Waterfront LID Administration - \$956,000

FAS has a key role in the development and administration of the Central Waterfront Local Improvement District (LID), the formation of which is anticipated in 2018. This increment continues funding for the LID study that began in 2017 and for positions in the City Finance division that support this work. It also adds funding for outreach services and materials and administrative expenses. These expenses are funded by the Central Waterfront Improvement Fund.

Equity Programs in City Contracting - \$300,000

Building on the success of the Priority Hire program, which has increased construction employment for women and people of color in economically distressed ZIP codes, two new programs will be implemented in 2018. The new Respectful Workplace program and the new Women and Minority Businesses (WMBE) Technical Business Center will assist in developing workers and engaging businesses, and contributing to a strong local construction sector that sustains family-wage jobs. The Respectful Workplace Program will provide training that helps construction businesses support equitable work environments, which will benefit not only Priority Hire participants but all workers on a job site. The WMBE Technical Business Center will provide administrative resources to make it easier for WMBE firms to participate in Priority Hire and to compete for City contracts.

Department of Finance and Administrative Services

Ground Lease Rent Increase for Seattle Municipal Tower

The Seattle Municipal Tower, which houses many City departments and functions, is built over land that is owned by the Washington State Department of Transportation (WSDOT). The City of Seattle owns the Seattle Municipal Tower but leases the ground beneath it from WSDOT. A new lease term began in 2017 and the City will now pay higher rent for use of the land. This is a budget-neutral adjustment to redirect one-time existing FAS resources to cover the lease cost increase of \$2.5 million per year. In the future, FAS will recover the additional cost via its billing of departments for space rent.

Operations Costs of FileLocal Agency - \$182,330

FileLocal is a multi-city business license and tax payment portal in which the City of Seattle is a partner, along with the cities of Tacoma, Bellevue and Everett. These cities also all contribute to the operations expenses of maintaining the FileLocal program. This adjustment provides the City's share of funding for increased expenses in 2018 for security monitoring and auditing, hosting and software, and custom software development. The new funding will help ensure the data security of FileLocal users.

Proposed Technical Changes

Technical Adjustments - \$1,028,166

This adjustment includes a baseline change that aligns the budget with FAS's actual operational costs, including Seattle IT charges. Seattle IT's charges to FAS are higher than was provided for in the 2018 Endorsed Budget. It also includes a reduction in FAS debt-service charges.

Alignment of Departmental Resources - (\$143,469)

This adjustment includes two budget-neutral changes that align existing budget with the program where the expenses are occurring. It also removes the budget authority from a position that has sunset. The position focused on tenant improvements and renovations at Fire Station 5, and that work is now complete.

Department of Finance and Administrative Services

Expenditure Overview

Appropriations	Summit Code	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
FileLocal Agency Budget Control Level	A9POR	259,925	363,952	374,950	384,754
Wheelchair Accessible Services Program Budget Control Level	AW001	654,095	1,487,808	1,487,808	1,487,808
Central Waterfront Fund					
Central Waterfront Improvement Program Financial Support Budget Control Level	A8CWF	1,118,829	1,099,000	924,000	1,880,336
FAS Operating Fund					
Budget and Central Services Budget Control Level	A1000	5,810,419	15,211,137	12,137,519	13,990,071
Business Technology Budget Control Level	A4520	21,041,290	0	0	0
City Finance Division Budget Control					
Accounting		4,064,777	10,562,859	12,787,968	12,317,477
Business Licensing and Tax Administration		3,952,746	3,717,446	3,721,367	4,403,901
City Financial Management		1,724,974	1,778,394	1,831,308	1,595,787
Risk Management		1,370,428	1,375,185	1,411,222	1,365,119
Treasury		4,139,293	4,690,708	4,791,399	4,791,749
Total	A4510	15,252,219	22,124,592	24,543,264	24,474,033
City Purchasing and Contracting Services Budget Control					
Contracting Services		4,376,054	4,465,218	4,358,765	4,662,218
Purchasing Services		1,898,015	2,605,730	2,679,282	2,693,012
Total	A4540	6,274,069	7,070,948	7,038,047	7,355,230
Facility Services Budget Control Level	A3000	71,699,713	79,015,818	72,713,785	73,576,696
Fleet Capital Program Budget Control Level	A2001	26,444,988	21,829,848	21,829,848	21,829,848
Fleet Services Budget Control					
Vehicle Fueling		5,196,992	10,582,509	10,586,493	10,586,658
Vehicle Leasing		2,086,000	2,070,820	2,134,942	2,147,008
Vehicle Maintenance		19,217,034	20,733,077	21,103,078	21,187,936
Total	A2000	26,500,026	33,386,406	33,824,513	33,921,602
Office of Constituent Services Budget Control					
Office of Constituent Services		3,882,674	4,633,381	4,650,200	5,075,127

Department of Finance and Administrative Services

Total	A6510	3,882,674	4,633,381	4,650,200	5,075,127
Regulatory Compliance and Consumer Protection Budget Control Level	A4530	5,190,979	7,062,313	9,275,904	8,901,573
Seattle Animal Shelter Budget Control Level	A5510	3,932,739	4,410,611	4,524,515	4,530,674
Technical Services Budget Control					
Capital Development and Construction Management		4,073,736	4,547,091	4,672,607	4,532,873
Total	A3100	4,073,736	4,547,091	4,672,607	4,532,873
Department Total		192,135,701	202,242,905	197,996,960	201,940,625
Department Full-time Equivalent Total*		641.50	625.00	620.50	627.50

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

Department of Finance and Administrative Services

Revenue Overview

2018 Estimated Revenues

Summit Code	Source	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
379100	Use of (Contribution to) Fund Balance - Central Waterfront Improvement Fund	0	1,099,000	924,000	1,880,000
379100	Use of (Contribution to) Fund Balance - FileLocal Agency Fund	-22,000	-12,000	-12,000	-12,000
379100	Use of (Contribution to) Fund Balance - FAS Operating Fund	8,354,807	16,070,396	7,667,191	7,546,524
	Total Use of (Contribution to) Fund Balance	8,332,807	17,157,396	8,579,191	9,414,524
444590	FileLocal Agency Fund Revenue	282,050	375,952	386,950	385,961
421607	Transportation Network Company Fees	1,451,846	1,487,808	1,487,808	1,531,000
	Total Other Revenue	1,733,896	1,863,760	1,874,758	1,916,961
421600	Professional and Occupational Licenses	462,782	447,746	447,746	447,746
421601	Licenses - Taxi/For Hire	523,607	578,843	606,343	606,343
421605	Licenses - Fore Hire Drivers	135,150	192,905	192,905	192,905
421607	Tran Net Co Fees	1,623,107	1,922,164	2,054,338	1,784,338
421700	Licenses - Tow Operators/Companies	11,425	15,000	15,000	15,000
421750	Panoram Licenses	4,510	1,500	1,500	1,500
421790	Other Amusement Licenses	64,375	65,000	65,000	65,000
421800	Penalties-Business Licenses	129,514	114,000	114,000	114,000
421990	Marijuana Program	178,615	0	0	0
422310	Cat Licenses	305,985	378,152	350,550	350,550
422320	Dog Licenses	824,367	1,184,673	1,144,843	1,144,843
422800	Penalties on Non-Business Licenses	115	0	0	0
422802	Lic Late Fees - Taxi/For Hire	2,455	0	0	0
422803	Fires - Taxi/For Hire	10,130	9,805	9,805	9,805
422820	Tow Company License Late Fees	290	0	0	0
441300	OCS-Records Services	227	0	0	0
441630	Photocopy Services	204	0	0	0
441710	Sales of Merchandise	65,288	90,000	90,000	90,000
441930	Cable/Private Reimbursements	63,028	20,000	20,000	20,000
441970	Scanning Systems License	137,873	146,425	146,425	146,425
441980	State Wts & Meas Dev Reg Fees	87,186	99,955	99,955	99,955
442491	Fees - Taxi/For Hire	39,900	20,000	20,000	20,000
442492	Fees - Limo Inspections	37,800	37,000	37,000	37,000
442493	Fees - Limo Payment From State	127,500	240,000	240,000	240,000

Department of Finance and Administrative Services

442494	Tow company Impound Fees	49,095	50,000	50,000	50,000
443210	Capital Development and Construction Management	9,658	0	0	0
443870	Resource Recovery Revenue	3,470	0	0	0
443931	Animal Control Admin Fees	26,665	30,029	31,530	40,405
443932	Animal Adoption Fees	25,318	23,119	24,275	54,275
443934	Kennel Fees	18,787	17,188	18,047	31,847
443936	Spay and Neuter Fees	187,423	289,222	303,683	303,683
443937	Surrender Fees	3,090	7,117	7,472	12,692
443939	Misc Other Animal Control Fees	82,493	80,610	84,641	89,188
443979	Sundry Recoveries (Kubra CC)	202,297	200,000	200,000	200,000
444300	Vehicle & Equipment Repair Charges	207	0	0	0
444590	Miscellaneous - Other Revenue	623,343	930,000	930,000	952,071
459896	Penalties on Delinquent Receivable	250	0	0	0
459900	Miscellaneous Fine & Penalties	10,612	0	0	0
459930	NSF Check Fees	60	0	0	0
461110	Interest Earnings - Residual Cash	684,511	223,500	223,500	223,500
461320	Unrealized Gains/Losses-Inv GASB31	-145,903	0	0	0
462300	Parking Fees	2,244,171	2,400,000	2,400,000	2,400,000
462500	Bldg/Other Space Rental Charge	2,389,699	1,860,116	1,860,116	1,860,116
462900	Other Rents & use Charges	10,458	11,000	11,000	11,000
463000	Insurance Premiums & Recoveries	938	0	0	0
469100	Sales of Junk or Salvage	33,527	0	0	0
469400	Other Judgments & Settlements	6,957	0	0	0
469810	Cashier's Overages & Shortages	-415	0	0	0
469990	Other Miscellaneous Revenues	1,122,033	741,718	726,718	864,345
479010	Other External Revenues	30,000	0	0	0
485400	Gain(Loss)-Disposition Fixed Assets - Vehicle Leasing	1,109,109	0	0	0
	Total External Revenues	13,563,286	12,426,787	12,526,392	12,478,532
587001	Accounting Director's Office	303,978	302,830	314,137	306,248
587001	Business Licensing	2,053,318	1,973,771	1,933,000	2,241,716
587001	Capital Development and Construction Management	115,000	0	0	0
587001	Central Accounting	1,074,069	1,178,882	1,209,448	1,187,532
587001	City Purchasing	683,405	585,845	604,919	604,919
587001	Citywide Summit	0	3,324,060	4,566,558	4,559,368
587001	Claims Processing	186,403	164,020	168,906	156,624
587001	Concert Hall	370,523	380,876	390,232	392,002
587001	Consumer Protection	824,051	3,493,687	3,280,575	2,877,741
587001	Contracting Services	471,278	665,196	463,132	663,132
587001	Customer Service Bureau	323,933	324,953	334,542	334,542

Department of Finance and Administrative Services

587001	Debt Management	123,454	97,813	99,810	95,635
587001	Department Director	202,247	170,818	170,818	551,581
587001	Distribution Services	411,910	429,724	440,103	440,103
587001	Economics and Forecasting	185,347	175,723	180,605	75,569
587001	Electronic Records	0	463,827	463,572	463,572
587001	Encampment Clean-Up	0	1,361,188	1,052,615	1,836,749
587001	FAS Accounting	72,919	74,665	76,725	76,725
587001	FAS Applications	1,885,157	0	0	0
587001	FAS IT Services	0	830,800	844,321	844,321
587001	Fiscal Policy and Management	937,597	1,162,722	1,201,411	802,575
587001	Garden of Remembrance	177,836	182,805	187,296	188,144
587001	HRIS	1,352,641	0	0	0
587001	Human Resources	58,331	50,104	51,567	51,567
587001	Investments	172,359	208,914	213,600	207,073
587001	Judgmt/Claims Alloc - 50330	0	0	0	0
587001	Nghd Payment & Information Svcs	217,649	342,420	354,477	341,853
587001	Office of Constituent Services	251,774	565,739	541,115	611,335
587001	Parking Meter Collections	571,768	445,513	460,227	446,576
587001	Payroll	978,674	997,727	1,020,971	999,151
587001	Property Management Services	1,680,685	1,473,808	1,493,328	1,505,554
587001	Regulatory Enforcement	2,296,021	250,000	750,000	750,000
587001	Remittance Processing	189,701	237,511	242,784	236,262
587001	Risk Management	254,097	217,850	222,627	222,519
587001	Seattle Animal Shelter	2,613,393	2,764,238	2,661,920	2,746,478
587001	Shared Accounting Services	117,400	74,375	76,473	76,473
587001	Spay and Neuter Clinic	94,441	65,052	58,160	58,160
587001	SRI Project	1,235,000	0	0	0
587001	SUMMIT	3,813,808	0	0	0
587001	Tax Administration	2,290,720	2,239,591	2,289,408	3,768,384
587001	Treasury Operations	1,016,853	856,620	874,475	895,940
587001	Warehousing Services	6,541	7,600	7,694	7,694
	Total General Fund Support	29,614,281	28,141,267	29,301,551	31,623,817
541490	Accounting Director's Office	270,651	248,973	258,269	251,783
541490	Central Accounting	956,307	911,335	934,963	918,021
541490	City Purchasing	1,331,076	1,903,054	1,965,016	1,965,016
541490	Citywide Summit	0	3,629,438	4,452,303	4,440,283
541490	Claims Processing	479,687	519,954	535,161	500,422
541490	Contracting Services	5,006,444	3,938,030	4,032,749	4,132,749
541490	Customer Service Bureau	590,091	577,528	594,570	594,570
541490	Debt Management	222,217	254,285	259,477	248,624
541490	Economics and Forecasting	0	0	0	97,509
541490	Electronic Records	0	446,173	445,929	445,929
541490	FAS IT Services	0	1,233,865	1,574,104	1,253,468
541490	Fiscal Policy and Management	0	167,102	171,326	641,813

Department of Finance and Administrative Services

541490	Human Resources	112,627	95,042	97,815	97,815
541490	Investments	303,342	275,827	282,013	273,395
541490	Nghd Payment & Information Svcs	1,069,722	2,180,939	2,257,736	2,177,328
541490	Office of Constituent Services	458,641	1,005,469	961,707	1,086,487
541490	Payroll	871,371	870,957	891,247	872,198
541490	Property Management Services	541,197	260,000	260,000	260,000
541490	Remittance Processing	792,571	756,259	773,049	752,281
541490	Risk Management	661,554	700,223	715,815	715,510
541490	Treasury Operations	2,038,661	2,269,590	2,319,318	2,372,359
541830	FAS Applications	1,170,940	0	0	0
541830	HRIS	1,287,141	0	0	0
541830	SUMMIT	6,485,708	0	0	0
541930	Facilities Maintenance	40,510	75,000	75,000	75,000
542830	Distribution Services	280,070	291,760	291,760	291,760
542831	Distribution Services	266,197	252,052	258,140	258,140
543210	Capital Development and Construction Management	4,910,542	5,530,310	5,541,234	5,541,234
543936	Spay and Neuter Clinic	84,125	50,000	50,000	50,000
543970	Nghd Payment & Information Svcs	225,850	0	0	0
544300	Vehicle Maintenance	8,004,316	8,706,388	8,901,453	8,901,453
544400	Vehicle Warehousing	3,162,561	3,003,009	3,024,261	3,024,261
544500	Vehicle Fuel	5,403,675	10,598,233	10,682,120	10,682,120
544590	Human Resources	-13	0	0	0
544590	Vehicle Leasing	2,496	0	0	0
548921	Warehousing Services	1,383,652	1,361,035	1,377,921	1,377,921
548922	Property Management Services	413,304	400,243	412,187	412,187
562150	Motor Pool	695,612	911,793	912,934	912,934
562250	Fleet Capital Program	0	16,853,578	17,290,292	17,290,292
562250	Vehicle Leasing	27,521,694	11,407,259	11,661,915	11,661,915
562300	Parking Services	762,495	686,020	686,020	686,020
562500	Nghd Payment & Information Svcs	551,253	11,522	11,710	0
562500	Property Management Services	8,018,892	10,126,597	10,295,345	10,295,345
562500	Seattle Municipal Tower	1,575	0	0	0
562510	Property Management Services	48,204,277	48,996,256	49,295,568	49,784,008
569990	Central Accounting	149,989	241,313	247,570	247,570
569990	Department Director	0	12,043	12,402	12,402
569990	FAS Accounting	27,660	6,530	6,737	6,737
569990	FAS IT Services	0	28,078	29,110	29,110
569990	Fiscal Policy and Management	171,616	172,000	176,344	176,344
569990	Human Resources	0	6,894	7,099	7,099
569990	Office of Constituent Services	300,000	0	0	0
569990	Policy & Budget	0	7,621	7,856	7,856
569990	Property Management Services	154,190	0	0	0

Department of Finance and Administrative Services

569990	Seattle Animal Shelter	50,709	124,195	127,472	127,472
569990	Seattle Municipal Tower	621,619	545,000	545,000	545,000
569990	Shared Accounting Services	908	4,924	5,051	5,051
569990	Treasury Operations	42,815	0	0	0
569990	Vehicle Leasing	2,431,340	0	0	0
569990	Vehicle Maintenance	4,334	0	0	0
569999	HRIS	215,162	0	0	0
569999	Property Management Services	52,066	0	0	0
569999	Treasury Operations	85,992	0	0	0
Total Services to City Depts		138,891,431	142,653,696	145,715,068	146,506,791
Total Revenues		183,802,894	185,085,510	189,417,769	192,526,101
Total Resources		192,135,701	202,242,906	197,996,960	201,940,625

Department of Finance and Administrative Services

Appropriations By Budget Control Level (BCL) and Program

FileLocal Agency Budget Control Level

The purpose of the FileLocal Agency Budget Control Level is to execute the City's response to the Washington Multi-City Business License and Tax Portal Agency Interlocal Agreement. The City of Seattle will be reimbursed by the agency for all costs.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
FAS FileLocal Agency	259,925	363,952	374,950	384,754
Total	259,925	363,952	374,950	384,754
Full-time Equivalents Total*	2.50	2.50	2.50	2.50

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

Wheelchair Accessible Services Program Budget Control Level

The purpose of the Wheelchair Accessible Services Budget Control Level is to disburse monies collected on every taxi, for hire and Transportation Network Company (TNC) trip that originates in the city of Seattle. This BCL is funded by the Wheelchair Accessibility Disbursement Fund.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Wheelchair Accessible Services Program	654,095	1,487,808	1,487,808	1,487,808
Total	654,095	1,487,808	1,487,808	1,487,808

Central Waterfront Improvement Program Financial Support Budget Control Level

The purpose of the Central Waterfront Improvement Program Financial Support Budget Control Level (BCL) is to provide resources to the City Finance Division for the development of funding mechanisms for the Central Waterfront Improvement Program. This BCL is funded by the Central Waterfront Improvement Fund (Fund 35900).

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
FAS CWF Finance	1,118,829	1,099,000	924,000	1,880,336
Total	1,118,829	1,099,000	924,000	1,880,336
Full-time Equivalents Total*	3.00	3.00	3.00	3.00

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Department of Finance and Administrative Services

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.

Program Expenditures	2016	2017	2018	2018
	Actuals	Adopted	Endorsed	Proposed
Budget and Central Services	5,810,419	15,211,137	12,137,519	13,990,071
Total	5,810,419	15,211,137	12,137,519	13,990,071
Full-time Equivalents Total*	40.00	42.00	42.00	43.00

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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.

Program Expenditures	2016	2017	2018	2018
	Actuals	Adopted	Endorsed	Proposed
Business Technology	21,041,290	0	0	0
Total	21,041,290	0	0	0
Full-time Equivalents Total*	45.50	0.00	0.00	0.00

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Department of Finance and Administrative Services

City Finance Division Budget Control Level

The purpose of the City Finance Division 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 debt issuance and management, Citywide payroll processing, investments, risk management tax administration, and revenue and payment processing services and support to the City Budget Office economic forecasting efforts. 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	2016	2017	2018	2018
	Actuals	Adopted	Endorsed	Proposed
Accounting	4,064,777	10,562,859	12,787,968	12,317,477
Business Licensing and Tax Administration	3,952,746	3,717,446	3,721,367	4,403,901
City Financial Management	1,724,974	1,778,394	1,831,308	1,595,787
Risk Management	1,370,428	1,375,185	1,411,222	1,365,119
Treasury	4,139,293	4,690,708	4,791,399	4,791,749
Total	15,252,219	22,124,592	24,543,264	24,474,033
Full-time Equivalents Total*	134.50	146.00	146.00	148.00

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The following information summarizes the programs in City Finance Division 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	2016	2017	2018	2018
	Actuals	Adopted	Endorsed	Proposed
Accounting	4,064,777	10,562,859	12,787,968	12,317,477
Full-time Equivalents Total	59.50	65.50	65.50	67.50

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	2016	2017	2018	2018
	Actuals	Adopted	Endorsed	Proposed
Business Licensing and Tax Administration	3,952,746	3,717,446	3,721,367	4,403,901
Full-time Equivalents Total	26.00	28.50	28.50	30.00

City 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

Department of Finance and Administrative Services

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 also administers the City's debt portfolio and provides support to City Budget Office economic forecasting efforts. 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	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
City Financial Management	1,724,974	1,778,394	1,831,308	1,595,787
Full-time Equivalents Total	9.00	11.00	11.00	9.00

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	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Risk Management	1,370,428	1,375,185	1,411,222	1,365,119
Full-time Equivalents Total	9.00	9.00	9.00	8.50

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 programs, and collects and processes parking meter revenues.

Expenditures/FTE	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Treasury	4,139,293	4,690,708	4,791,399	4,791,749
Full-time Equivalents Total	31.00	32.00	32.00	33.00

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.

Program Expenditures	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Contracting Services	4,376,054	4,465,218	4,358,765	4,662,218
Purchasing Services	1,898,015	2,605,730	2,679,282	2,693,012
Total	6,274,069	7,070,948	7,038,047	7,355,230
Full-time Equivalents Total*	45.00	47.00	47.00	47.00

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Department of Finance and Administrative Services

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. The program is also responsible for social equity monitoring and contract compliance on City contracts, particularly focused on construction and procurement.

Expenditures/FTE	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Contracting Services	4,376,054	4,465,218	4,358,765	4,662,218
Full-time Equivalents Total	30.00	27.00	27.00	28.00

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 \$47,000 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	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Purchasing Services	1,898,015	2,605,730	2,679,282	2,693,012
Full-time Equivalents Total	15.00	20.00	20.00	19.00

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	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Facility Services	71,699,713	79,015,818	72,713,785	73,576,696
Total	71,699,713	79,015,818	72,713,785	73,576,696
Full-time Equivalents Total*	92.50	97.00	94.50	99.50

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

Department of Finance and Administrative Services

Fleet Capital Program Budget Control Level

The purpose of the Fleet Capital Program Budget Control Level is to manage City of Seattle Fleet Replacement, including the purchase and disposal of vehicles owned by the Department of Finance and Administrative Services (FAS) and the administration of the Fleet Replacement Capital Reserve.

Program Expenditures	2016	2017	2018	2018
	Actuals	Adopted	Endorsed	Proposed
Fleet Capital Program	26,444,988	21,829,848	21,829,848	21,829,848
Total	26,444,988	21,829,848	21,829,848	21,829,848

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.

Program Expenditures	2016	2017	2018	2018
	Actuals	Adopted	Endorsed	Proposed
Vehicle Fueling	5,196,992	10,582,509	10,586,493	10,586,658
Vehicle Leasing	2,086,000	2,070,820	2,134,942	2,147,008
Vehicle Maintenance	19,217,034	20,733,077	21,103,078	21,187,936
Total	26,500,026	33,386,406	33,824,513	33,921,602
Full-time Equivalents Total*	129.00	131.00	131.00	131.00

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

Department of Finance and Administrative Services

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.

Expenditures/FTE	2016	2017	2018	2018
	Actuals	Adopted	Endorsed	Proposed
Vehicle Fueling	5,196,992	10,582,509	10,586,493	10,586,658
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.

Expenditures/FTE	2016	2017	2018	2018
	Actuals	Adopted	Endorsed	Proposed
Vehicle Leasing	2,086,000	2,070,820	2,134,942	2,147,008
Full-time Equivalents Total	15.00	15.00	15.00	15.00

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.

Expenditures/FTE	2016	2017	2018	2018
	Actuals	Adopted	Endorsed	Proposed
Vehicle Maintenance	19,217,034	20,733,077	21,103,078	21,187,936
Full-time Equivalents Total	113.00	115.00	115.00	115.00

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 improve on consistently providing services that are easily accessible, responsive and fair. This includes assistance with a broad range of City services, such as transactions, information requests and complaint investigations. This BCL includes the City's Customer Service Bureau, the Neighborhood Payment and Information Service centers, Citywide public disclosure responsibilities and service-delivery analysts.

Program Expenditures	2016	2017	2018	2018
	Actuals	Adopted	Endorsed	Proposed
Office of Constituent Services	3,882,674	4,633,381	4,650,200	5,075,127
Total	3,882,674	4,633,381	4,650,200	5,075,127
Full-time Equivalents Total*	34.00	38.00	38.00	39.00

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

Department of Finance and Administrative Services

The following information summarizes the programs in Office of Constituent Services Budget Control Level:

Office of Constituent Services Program

Expenditures/FTE	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Office of Constituent Services	3,882,674	4,633,381	4,650,200	5,075,127
Full-time Equivalents Total	34.00	38.00	38.00	39.00

Regulatory Compliance and Consumer Protection Budget Control Level

The purpose of the Regulatory Compliance and Consumer Protection Budget Control Level is to support City services and regulations that attempt to provide Seattle consumers with a fair and well-regulated marketplace. Expenditures from this BCL include support for taxicab inspections and licensing, the weights and measures inspection program, vehicle impound and consumer complaint investigation.

Program Expenditures	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Regulatory Compliance and Consumer Protection	5,190,979	7,062,313	9,275,904	8,901,573
Total	5,190,979	7,062,313	9,275,904	8,901,573
Full-time Equivalents Total*	47.50	49.50	48.50	46.50

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

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.

Program Expenditures	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Seattle Animal Shelter	3,932,739	4,410,611	4,524,515	4,530,674
Total	3,932,739	4,410,611	4,524,515	4,530,674
Full-time Equivalents Total*	39.00	40.00	40.00	40.00

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

Department of Finance and Administrative Services

Technical Services Budget Control Level

The purpose of the Technical Services Budget Control Level is to plan and administer FAS' Capital Improvement Program.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Capital Development and Construction Management	4,073,736	4,547,091	4,672,607	4,532,873
Total	4,073,736	4,547,091	4,672,607	4,532,873
Full-time Equivalents Total*	29.00	29.00	28.00	28.00

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

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.

	2016	2017	2018	2018
Expenditures/FTE	Actuals	Adopted	Endorsed	Proposed
Capital Development and Construction Management	4,073,736	4,547,091	4,672,607	4,532,873
Full-time Equivalents Total	29.00	29.00	28.00	28.00

Department of Finance and Administrative Services

Finance and Administrative Services Fund Table

Wheelchair Accessible Services Fund

	2016 Actuals	2017 Adopted	2017 Revised	2018 Endorsed	2018 Proposed
Beginning Fund Balance	723,866	0	1,512,324	0	2,278,132
Accounting and Technical Adjustments	-9,293	0	0	0	0
Plus: Actual and Estimated Revenues	1,451,846	1,487,808	1,487,808	1,487,808	1,531,000
Less: Actual and Budgeted Expenditures	654,095	1,487,808	722,000	1,487,808	1,487,808
Ending Fund Balance	1,512,324	0	2,278,132	0	2,321,324
Ending Unreserved Fund Balance	1,512,324	0	2,278,132	0	2,321,324

FileLocal Agency Fund

	2016 Actuals	2017 Adopted	2017 Revised	2018 Endorsed	2018 Proposed
Beginning Fund Balance	0	24,000	22,125	36,000	34,125
Accounting and Technical Adjustments	0	0	0	0	0
Plus: Actual and Estimated Revenues	282,050	375,952	375,952	386,950	385,961
Less: Actual and Budgeted Expenditures	259,925	363,952	363,952	374,950	384,754
Ending Fund Balance	22,125	36,000	34,125	48,000	35,332
Ending Unreserved Fund Balance	22,125	36,000	34,125	48,000	35,332

Department of Finance and Administrative Services

Finance and Administrative Services Fund Table

Finance and Administrative Services Fund (50300)

	2016	2017	2017	2018	2018
	Actuals	Adopted	Revised	Endorsed	Proposed
Beginning Fund Balance	39,108,000	28,533,479	31,073,214	18,465,826	19,463,097
Accounting and Technical Adjustments-Add Back Non-cash Items	-	7,002,742	6,141,000	7,042,310	8,985,000
Plus: Actual and Estimated Revenue	182,068,998	183,221,750	182,951,750	187,543,011	190,609,140
Plus: Inter-fund Transfer	10,625,692	10,862,000	19,661,380	10,397,000	10,397,000
Less: Actual and Budgeted Expenditures	190,102,852	199,292,146	197,998,868	195,210,202	198,187,727
Less: Capital Improvements	10,626,623	11,462,000	22,365,380	10,397,000	10,397,000
Ending Fund Balance	31,073,214	18,865,824	19,463,097	17,840,945	20,869,510
Continuing Appropriations	5,899,345				
Working Capital - Fleets Planning Reserve	7,378,000	9,919,678	9,919,678	12,339,325	12,919,678
Total Reserves	13,277,345	9,919,678	9,919,678	12,339,325	12,919,678
Ending Unreserved Fund Balance	17,795,869	8,946,146	9,543,419	5,501,620	7,949,832

Capital Improvement Program Highlights

The Department of Finance and Administrative Services (FAS) is responsible for building, operating and maintaining general government facilities, including:

- 33 fire stations and waterfront marine operations;
- five police precinct buildings;
- police mounted patrol facility;
- harbor patrol facility;
- Seattle Emergency Operations and Fire Alarm Centers;
- City vehicle maintenance shops and other support facilities; and
- City downtown office building portfolio.

FAS also maintains core building systems for some of the community-based facilities owned by the City, such as senior centers and community service centers. In addition to these facility assets, FAS is responsible for the reimplementation of City's financial management system (Summit).

The department's 2018-2023 Proposed Capital Improvement Program (CIP) is FAS's plan for maintaining, renovating, expanding, and replacing its extensive inventory of buildings and technology systems. The

Department of Finance and Administrative Services

department's CIP is financed by a variety of revenue sources, including the City's General Fund, the Cumulative Reserve Sub-fund (this fund includes unrestricted funds, REET I, and FAS Asset Preservation subaccounts), general obligation bonds, FAS funds collected through rates and proceeds from property sales.

2018 Project Highlights

Americans with Disabilities Act (ADA) - Citywide and FAS. In 2018, FAS will continue to manage the City's efforts to improve accessibility to City facilities, consistent with the Americans with Disabilities Act (ADA). This work will take place along two tracks, both of them responsive to the ADA Transition Plan, a 2017 consultant study of citywide facilities. FAS Capital Development and Construction Management (CDCM) will lead the development of pre-design work looking at how departments can incorporate ADA compliance into their ongoing maintenance projects, with the results of that work to begin in 2019. Additionally, CDCM will work with the FAS ADA Compliance group to identify and remediate a high-priority finding or findings of the ADA Transition Plan.

Asset Preservation Program. FAS's asset preservation program extends the useful life of the various buildings owned and maintained by FAS by making strategic investments in major maintenance. The asset preservation program is funded primarily through facility space rent charges paid by City departments, with additional funding from Real Estate Excise Tax (REET). Large projects on the horizon, including the replacement of the chiller units in the Seattle Municipal Tower (SMT), will require additional funding. In 2018, debt-service charges owed by FAS for the SMT began to decrease, and it had been the department's intent to dedicate the incremental funding to asset preservation while keeping space rent rates stable. Because of the increased costs for the SMT ground lease over the I-5 ramp with the Washington State Department of Transportation (WSDOT), FAS no longer has this incremental funding available for asset preservation in 2018. As debt service costs are reduced and space rent is freed from these costs, FAS and the City Budget Office will evaluate long-term strategies to fund asset preservation while continuing to keep space rent rates stable in the future. Some of the projects started in 2017 and planned for 2018 include:

- weatherization of the Seattle Municipal Tower (SMT);
- predesign for the water heater replacement at the Seattle Justice Center (SJC);
- predesign for work on SMT elevators and lighting controls;
- installation of LED lighting in City Hall;
- work on the envelopes (exteriors) of the Charles Street Tire Shop, Emergency Operations Center, and Seattle Fire Department (SFD) Headquarters; and
- heating, ventilation, and air conditioning (HVAC) work at the Joint Training Facility and the Charles Street Fire Garage

Benaroya Hall. The City is committing resources to assist in the transformation of the Soundbridge educational space at Benaroya Hall into OCTAVE 9. OCTAVE 9 will be an acoustically superb small flexible performance venue, supported by the latest audio-visual technology that will allow music exploration, education, creation, and performance. As well as a performance hub, it will be a window into the vibrant creativity and stellar performances that happen inside Benaroya Hall, allowing young people, communities, visitors, and audiences to see deep into the creative process. In addition to supporting the Seattle Symphony's community and education ambitions, OCTAVE 9 also represents a major capital improvement to Benaroya Hall.

Charles Street Campus Development. In mid-2017, FAS began working with the Office of Planning and Community Development (OPCD) to engage a consultant on assessment, work scoping, and pre-design for the City's future development of some or all of the Charles Street campus, which houses work units of FAS and other City departments. The work will continue in 2018.

City Facilities Project Delivery Services. This proposed new program provides pass-through budget authority for FAS to provide design and construction management services, as requested by City departments, at facilities that are neither owned nor managed by FAS. Departments at these facilities will have already identified funding for FAS services and this project structure will enable FAS Capital Development and Construction Management

Department of Finance and Administrative Services

(CDCM) to start its work as quickly as possible. FAS proposes to use the second and fourth quarterly supplemental budget process to appropriate the pass-through budget authority based on actual expenses.

Customer Requested Tenant Improvements. This ongoing program provides a process for FAS to manage and execute all public works tenant improvement projects and space planning in FAS owned and leased facilities. FAS is also hired by other City departments to manage their facilities' capital improvement projects in non-FAS buildings. In 2018, projects include tenant improvements in the Seattle Municipal Tower and Seattle City Hall. Appropriations for FAS's Customer Requested Tenant Improvements (CRTI) program serve as a pass-through to the requesting departments that are responsible for all project costs with funding coming from their capital or operating funds.

Drive Clean Seattle. As part of Mayor Ed Murray's Drive Clean Seattle Initiative, this project funded the installation of 150 charging stations for electric vehicles at the SMT and pre-design work on increasing the electrical service capacity in the SeaPark Garage. The initiative sets a goal of 50% reduction in greenhouse gas emissions for the City's fleet by 2025. Part of this work includes the transition of Seattle's transportation sector from reliance on fossil fuels to the increased use of clean and carbon-neutral electricity. The City is leading by example in transitioning the fleet to electric vehicles where cost-effective electric alternatives are available. Construction of the SMT project will conclude in late 2017, and the pre-design work at SeaPark garage will conclude in early 2018.

Energy Efficiency for Municipal Buildings. In an effort to reduce energy use in City-owned buildings, this project funds work by the Office of Sustainability and Environment (OSE) to support the City's goal of a 20% reduction in building energy use by 2020. This work is part of a Citywide Resource Conservation Initiative coordinated by OSE to improve the energy efficiency of City facilities.

Facilities Upgrade at Seattle Municipal Tower. This new 2018 project will add full gender-neutral restrooms, showers and lockers on floor 14 of the SMT to support City employees who commute on foot or by bicycle. It will also construct new gender-neutral restrooms on SMT 3 and 40, which are accessible by the building's occupants and visitors. This project is an update to a building that was designed and constructed before family restrooms and gender-neutral restrooms were commonplace. The locations for the new restrooms were selected based on proximity to building plumbing infrastructure, security, ability to provide wayfinding for restroom users and minimal functional impact and cost.

Fire Facilities and Emergency Response Levy Program. The 2003 Fire Facilities and Emergency Response Levy Program was a nine-year \$167 million property tax levy voters approved in November 2003. FAS has used levy proceeds to:

- upgrade or replace fire stations and other fire facilities;
- construct a new emergency operations center and fire alarm center; and
- build new fireboats and renovate the Chief Seattle fireboat.

The program is nearing completion. FAS will continue to execute the Fire Facilities Levy Program by continuing construction on the final station, Fire Station 32 in West Seattle. That work will conclude in 2018.

Fire Facilities Non-Levy Work. The project provides retrofits to existing fire stations. Fire Station 31 requires a larger apparatus bay to accommodate the new larger tillered aerial ladder truck, now required by state law. In addition, Fire Station 5 on the waterfront requires seismic retrofits to structurally tie it to the new seawall, as well as concurrent updates to the major systems to extend the useful life of the building and reduce energy consumption. In 2018, FAS will begin work on a multi-year project to provide ventilation upgrades at 11 fire stations and the Joint Training Facility, bringing them into conformance with the current Washington Administrative Code that defines safety standards for firefighters.

North Precinct. In 2018, funding will support modifications to the existing North Precinct facility in order to accommodate anticipated staffing needs for the next several years. These modifications will include remodeling

Department of Finance and Administrative Services

the interior to dedicate more space to high-need functions and installing portable trailers in the precinct's parking lot.

Seattle Municipal Court Security Improvements. Two facility security surveys performed by the U.S. Marshals identified opportunities for the City to make upgrades at this facility. This project will begin in 2018 and last through 2020.

South Lake Union Public Safety Facility Needs. The City has identified the need for an additional fire station in the fast-growing South Lake Union area. A potential site has been identified for this new station and options are being explored to identify funding for acquisition and construction.

Summit Re-Implementation (SRI). In 2011, the City of Seattle initiated a Financial Management and Accountability Program (FinMAP) to create Citywide financial management policies and standardization of the City enterprise financial system, Summit. The Summit Re-Implementation project is a key deliverable for this program. It will improve financial reporting and access to financial information for decision-makers across the City and will simplify and standardize regulatory reporting and oversight. Phase One, from January 2013 to August 2015, identified the appropriate scope for SRI. Phase Two, which began in September 2015, is the implementation phase with an operational start date of January 2018. This project has central capital components as well as department-specific components. The central capital project is detailed in the FAS Capital Improvement Program, along with a funding mechanism to reimburse operating departments for certain capital expenditures they incur during the project. Departmental components are budgeted in individual departments and Seattle IT.

Department of Finance and Administrative Services

Capital Improvement Program Appropriation

Budget Control Level	2018 Endorsed	2018 Proposed
ADA Improvements - FAS: A1ADA		
Cumulative Reserve Subfund - REET I Subaccount (00163)	0	200,000
Subtotal	0	200,000
Asset Preservation - Schedule 1 Facilities: A1APSCH1		
Cumulative Reserve Subfund - REET I Subaccount (00163)	2,000,000	2,000,000
Cumulative Reserve Subfund, Asset Preservation Subaccount - Fleets and Facilities (00168)	4,124,000	2,152,000
Subtotal	6,124,000	4,152,000
Asset Preservation - Schedule 2 Facilities: A1APSCH2		
Cumulative Reserve Subfund, Asset Preservation Subaccount - Fleets and Facilities (00168)	1,848,000	1,848,000
Subtotal	1,848,000	1,848,000
FAS Oversight-External Projects: A1EXT		
Cumulative Reserve Subfund - REET I Subaccount (00163)	2,500,000	2,500,000
Subtotal	2,500,000	2,500,000
FAS Project Delivery Services: A1GMPDS		
Finance and Administrative Services Fund (50300)	0	3,500,000
Subtotal	0	3,500,000
Garden of Remembrance: A51647		
Cumulative Reserve Subfund - Unrestricted Subaccount (00164)	27,675	27,675
Subtotal	27,675	27,675
General Government Facilities - General: A1GM1		
Cumulative Reserve Subfund - REET I Subaccount (00163)	774,535	4,959,535
Finance and Administrative Services Fund (50300)	3,500,000	0
Subtotal	4,274,535	4,959,535
Information Technology: A1IT		
2018 Multipurpose LTGO Bond Fund	4,903,000	8,248,000
Finance and Administrative Services Fund (50300)	6,897,000	6,897,000
Subtotal	11,800,000	15,145,000

Department of Finance and Administrative Services

Neighborhood Fire Stations: A1FL1

2018 Multipurpose LTGO Bond Fund	0	1,400,000
Cumulative Reserve Subfund - REET I Subaccount (00163)	3,590,000	3,342,834
Subtotal	3,590,000	4,742,834

Public Safety Facilities - Fire: A1PS2

Cumulative Reserve Subfund - REET I Subaccount (00163)	1,043,000	1,043,000
Subtotal	1,043,000	1,043,000

Public Safety Facilities - Police: A1PS1

Cumulative Reserve Subfund - REET I Subaccount (00163)	11,600,000	14,100,000
General Subfund	352,000	0
Subtotal	11,952,000	14,100,000

Summit Re-Implementation Department Capital Needs: A1IT1

2018 Multipurpose LTGO Bond Fund	1,206,000	1,238,884
Subtotal	1,206,000	1,238,884

Total Capital Improvement Program Appropriation	44,365,210	53,456,928
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Finance General

Ben Noble, Director

(206) 615-1962

Department Overview

Finance General provides a mechanism for allocating General Fund resources to reserve and bond redemption funds, City department operating funds, and certain programs where the Council, Mayor, or City Budget Office needs additional oversight.

Budget Snapshot

Department Support	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
General Fund Support	\$470,930,184	\$530,958,753	\$501,116,586	\$529,024,564
Total Operations	\$470,930,184	\$530,958,753	\$501,116,586	\$529,024,564
Total Appropriations	\$470,930,184	\$530,958,753	\$501,116,586	\$529,024,564
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 Human Resources Director actions outside of the budget process may not be detailed here.

Budget Overview

Finance General serves as a central repository to pay for ongoing City costs, General Fund contributions to the operations of City departments, and contributions to outside organizations. It also provides a mechanism to hold appropriations temporarily until the City determines the appropriate managing department; to act as a contingency reserve to respond to unpredictable situations; and, to cover costs that vary with economic conditions. For additional information on department-specific items, please refer to the department budget book sections.

Finance General

Incremental Budget Changes

Finance General

	2018 Budget	FTE
Total 2018 Endorsed Budget	\$ 501,116,586	0.00
Baseline Changes		
Technical Adjustments	-\$ 494,089	0.00
Citywide Adjustments for Standard Cost Changes	\$ 536,834	0.00
Proposed Changes		
Create Reserve for Additional Domestic Violence Services	\$ 162,000	0.00
Create Reserve for Additional Services for Survivors of Sexual Abuse	\$ 500,000	0.00
Seattle Retirement Savings Plan Reserve	\$ 200,000	0.00
Restore Recurring Reserve for Workers' Compensation Total Disability Payments	\$ 500,000	0.00
Directly Fund Reserve Items in Human Services Department	-\$ 770,000	0.00
Directly Fund Reserve Item in the Office of Housing	-\$ 200,000	0.00
Update Reserve for Department of Justice and Police Accountability Changes	-\$ 1,402,362	0.00
Sweetened Beverage Tax Related Funding	\$ 4,357,156	0.00
Proposed Technical Changes		
Update Reserves for Recurring Expenses	\$ 2,979,448	0.00
Provide General Fund Support to Department Programs	\$ 15,840,775	0.00
Provide General Fund Support to Office of Labor Standards Fund	\$ 5,698,216	0.00
Total Incremental Changes	\$ 27,907,978	0.00
2018 Proposed Budget	\$ 529,024,564	0.00

Descriptions of Incremental Budget Changes

Baseline Changes

Technical Adjustments - (\$494,089)

This adjustment removes appropriations included in error in the 2018 Endorsed Budget for 2017 one-time appropriations. Budget is also increased for reoccurring reserves for employee transit passes and debt service to align with expected costs in 2018.

Finance General

Citywide Adjustments for Standard Cost Changes - \$536,834

Citywide technical adjustments made in the baseline phase reflect changes to internal services costs, health care, and industrial insurance charges for the department. These adjustments reflect initial assumptions about these costs and inflators early in the budget process.

Proposed Changes

Create Reserve for Additional Domestic Violence Services - \$162,000

The proposed budget includes reserves to increase City services that address domestic violence. This includes incremental funding to support the addition of four detectives in the Seattle Police Department. The 2018 Endorsed Budget included funding to continue net new officer hiring (37 FTE), this adjustment funds the increment between a Police Officer and a Police Detective. The four detectives will support the Domestic Violence Firearms Surrender program. The Domestic Violence Firearm Surrender Program is staffed in the Law Department by an assistant city prosecutor and senior paralegal. This reserved funding will also add a Manager 1 position to supervise this staff and coordinate the City's response with King County, state and federal agencies.

Create Reserve for Additional Services for Survivors of Sexual Abuse - \$500,000

This action reserves funding to provide services for adult and child survivors of sexual abuse as part of the City's gender-based violence portfolio. Services may include crisis intervention, information and referral services, general advocacy, medical advocacy, and legal advocacy. Priority for this funding will be to provide person-centered interventions in order to address and prevent long-term health and mental health issues.

Seattle Retirement Savings Plan Reserve - \$200,000

This adjustment creates a reserve for policy work and initial implementation costs associated with a small business deferred compensation program in 2018.

Restore Recurring Reserve for Workers' Compensation Total Disability Payments - \$500,000

This item restores a recurring reserve for workers' compensation total disability payments. When an employee is found to be totally disabled from a work injury, the City pays the Washington Department of Labor and Industries a present value lump sum to a trust fund. Finance General is the payment entity for General Fund department claims and previously held a reserve for this type of expense per [Resolution 30535](#). However, lack of claims in prior years led to a reduction of the item in the 2016 Adopted Budget. An increase in the number of claims being processed has influenced the decision to restore the reserve to buffer the impact of large payments on General Fund departments. Expected payment amounts depend on a variety of factors, including size of family and age of total disability, making these infrequent payments substantial when they occur.

Directly Fund Reserve Items in Human Services Department - (\$770,000)

The 2018 Endorsed Budget included reserves for the following projects:

- Food Lifeline (\$475,000)
- North Seattle Human Services Summit (\$125,000)
- City Multi-Disciplinary Team (\$170,000)

This adjustment reduces these reserves from Finance General so that they may be directly appropriated in the Human Services Department (HSD) in 2018. Please see HSD budget pages for related appropriation changes.

Finance General

Directly Fund Reserve Item in the Office of Housing - (\$200,000)

The 2018 Endorsed Budget included a reserve to pay for consultant work in the Office of Housing (OH) related to the placement of affordable housing on publicly owned land. The 2018 Proposed Budget eliminates the Finance General reserve and directly funds this work at an appropriately scaled level in OH. Please see the OH department pages for additional details related to this budget change.

Update Reserve for Department of Justice and Police Accountability Changes - (\$1,402,362)

This adjustment reduces reserves in Finance General that were set aside for expenditures related to police accountability and related legislation. The 2018 Proposed Budget fully funds the Office of the Inspector General (OIG) and adds additional resources to the Office of Professional Accountability in Seattle Police Department (SPD). These items were previously budgeted in Finance General for 2018. Please see changes in the OIG and SPD sections of the budget book. Remaining funds in Finance General will be used for the continued payment of the Department of Justice Monitoring Team, in-car video storage needs, and potential payment of the OPA auditor and civilianization of OPA.

Sweetened Beverage Tax Related Funding - \$4,357,156

This adjustment increases Finance General appropriations for expenditures related to the Sweetened Beverage Tax. The proposed budget includes funding to:

- reimburse the Finance and Administrative Services (FAS) Operating Fund for 2017 expenditures related to the implementation of the Sweetened Beverage Tax (\$1,082,000);
- fund recommendations expected from the Sweetened Beverage Tax Community Advisory Board in 2018 (\$2,775,156); and
- fund job retraining for affected workers as required (\$500,000).

Proposed Technical Changes

Update Reserves for Recurring Expenses - \$2,979,448

This item makes changes for updated cost projections and includes non-programmatic changes that represent the latest cost estimates for recurring expenses or different financing plans to fund ongoing services.

Provide General Fund Support to Department Programs - \$15,840,775

This adjustment provides the resources needed to support 2018 proposed changes to department operations backed by the General Fund. Please refer to department sections for specific program descriptions and changes.

Provide General Fund Support to Office of Labor Standards Fund - \$5,698,216

This adjustment provides General Fund resources to the Office of Labor Standards (OLS) Fund as required by [Ordinance 125273](#) for operation of the office. For additional details about OLS and its operations, please see the department section. In future years, adjustments to this amount will be reflected as part of the general technical change for all General Fund supported funds.

Finance General

Expenditure Overview

Appropriations	Summit Code	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Appropriation to General Fund Subfunds and Special Funds Budget Control					
Arts Account		7,992,924	9,314,128	9,004,368	10,328,191
Cumulative Reserve Subfund - Capital Projects Account		2,700,000	0	0	0
Cumulative Reserve Subfund - Revenue Stabilization Account		2,223,941	2,777,744	1,868,939	3,850,594
Emergency Subfund		5,807,276	1,697,861	1,521,358	1,542,358
Finance and Administrative Services Fund		29,614,281	28,141,267	29,301,550	31,623,816
General Bond Interest/Redemption Fund		10,408,900	16,997,478	18,874,364	17,698,522
Information Technology Fund		8,781,020	19,785,295	21,003,276	20,977,678
Insurance		4,561,664	5,352,200	5,617,000	5,617,000
Judgment/Claims Subfund		620,824	416,819	361,855	1,761,855
Office of Labor Standards Fund		0	0	0	5,698,216
School Safety Traffic and Pedestrian Improvement Fund		0	850,000	800,000	0
Total	2QA00	72,710,830	85,332,792	88,352,710	99,098,230
Reserves Budget Control					
Affordable Housing Planning on Publicly Owned Land		0	200,000	200,000	0
Building Code Impact Support		15,050	0	0	0
City Multi-Disciplinary Team (MDT) Reserve		0	170,000	170,000	0
Department of Justice Settlement Agreement/Police Accountability		1,296,789	3,156,531	3,355,762	1,968,400
Domestic Violence Firearms Surrender Staff		0	0	0	138,000
Emergency Homeless Program		2,265,000	0	0	0
Equitable Development Initiative Projects		0	6,500,000	0	0
Fire Station 39 Housing Services		0	475,000	0	0
Food Lifeline		250,000	475,000	475,000	0
Get Engaged: City Boards and Commissions		0	34,937	34,937	34,937
Immigrant and Refugee Leadership		75,000	0	0	0

Finance General

Program				
Impact Fee Evaluation	124,821	0	0	0
Lambert House	0	100,000	0	0
Mercer Teardrop Sale Study	0	100,000	100,000	0
North Seattle Human Services Summit	0	125,000	125,000	0
Northgate Affordable Housing Strategic Plan	0	90,000	0	0
Parking Garage Loan Repayment	11,168,987	0	0	0
Pearl Warren Building Rehabilitation	11,170	0	0	0
Police Accountability Reserve	24,964	0	0	0
Police Civilian Community Liaison Services	0	200,000	1,800,000	1,800,000
Police Domestic Violence Detectives	0	0	0	24,000
Recurring Reserve-Election Expense	1,063,905	900,000	1,600,000	1,600,000
Recurring Reserve-Family Leave Program	0	2,000,000	2,000,000	2,000,000
Recurring Reserve-Fire Hydrants	8,232,366	8,512,000	8,812,000	9,540,000
Recurring Reserve-Office of Professional Accountability Auditor	157,850	0	0	0
Recurring Reserve-Pacific Science Center Lease Reserve	120,000	120,000	120,000	120,000
Recurring Reserve-Police Intelligence Officer	0	15,000	15,000	0
Recurring Reserve-Portable Art Rental and Maintenance	304,260	310,154	310,154	332,966
Recurring Reserve-Puget Sound Clean Air Agency	647,370	640,000	640,000	718,000
Recurring Reserve-State Examiner	860,701	878,416	878,416	878,416
Recurring Reserve-Street Lighting	9,890,000	12,500,000	13,200,000	13,200,000
Recurring Reserve-Tax Refund Interest	127,505	775,000	775,000	775,000
Recurring Reserve-Transit Pass Subsidy	3,539,574	4,017,513	4,057,089	4,454,000
Recurring Reserve-Voter Registration and Pamphlet	1,302,291	1,500,000	1,500,000	1,500,000
Recurring Reserve-Workers' Compensation Total Disability Claims	0	0	0	500,000
Seattle Indian Services Commission Debt Service Payment	438,968	442,000	445,000	454,000
Seattle Opera	200,000	0	0	0
Seattle Retirement Savings Plan	0	0	0	200,000
Sexual Abuse Survivor Services	0	0	0	500,000
Suquamish Project	1,500,000	0	0	0

Finance General

Sweetened Beverage Tax Community Advisory Board Recommendations	0	0	0	2,775,156
Sweetened Beverage Tax Related Job Retraining	0	0	0	500,000
University District Food Bank Building	250,000	0	0	0
Total	2QD00	43,866,570	44,236,551	40,613,358
Support to Operating Funds Budget Control				
Construction and Inspections Fund	6,624,487	7,037,833	6,484,400	6,815,696
Department of Education Fund	7,046,367	10,353,441	8,193,132	14,039,174
Drainage and Wastewater Fund	1,532,002	968,370	984,346	1,120,950
Firefighters Pension Fund	17,163,500	18,787,000	19,481,248	18,840,000
Housing Operating Fund	416,385	242,950	143,120	286,240
Human Services Operating Fund	78,346,241	90,579,794	88,313,241	95,479,510
Library Fund	51,990,217	52,321,519	53,516,033	53,860,290
Low Income Housing Fund	0	29,000,000	0	32,500
Neighborhood Matching Subfund	3,217,054	3,044,195	3,069,648	2,921,715
Parks and Recreation Fund	100,368,274	103,265,523	106,794,463	108,438,810
Police Relief and Pension Fund	21,330,843	21,313,000	21,770,367	21,771,140
Seattle Center Fund	14,209,672	13,044,011	13,226,457	12,981,851
Solid Waste Fund	6,600,131	8,465,612	8,565,669	7,421,607
Transportation Fund	45,507,611	42,966,162	41,608,394	41,903,976
Total	2QE00	354,352,784	401,389,410	372,150,518
Department Total		470,930,184	530,958,753	501,116,586

Department Full-time Equivalents 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 Human Resources Director actions outside of the budget process may not be detailed here.*

Finance General

Appropriations By Budget Control Level (BCL) and Program

Appropriation to General Fund Subfunds and Special Funds Budget Control Level

The purpose of the Appropriation to General Fund Subfunds and Special Funds Budget Control Level is to appropriate General Subfund resources, several of which are based upon the performance of certain City revenues, to bond redemption or special purpose funds. These appropriations are implemented as operating transfers to the funds, subfunds, or accounts they support.

Program Expenditures	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Arts Account	7,992,924	9,314,128	9,004,368	10,328,191
Cumulative Reserve Subfund - Capital Projects Account	2,700,000	0	0	0
Cumulative Reserve Subfund - Revenue Stabilization Account	2,223,941	2,777,744	1,868,939	3,850,594
Emergency Subfund	5,807,276	1,697,861	1,521,358	1,542,358
Finance and Administrative Services Fund	29,614,281	28,141,267	29,301,550	31,623,816
General Bond Interest/Redemption Fund	10,408,900	16,997,478	18,874,364	17,698,522
Information Technology Fund	8,781,020	19,785,295	21,003,276	20,977,678
Insurance	4,561,664	5,352,200	5,617,000	5,617,000
Judgment/Claims Subfund	620,824	416,819	361,855	1,761,855
Office of Labor Standards Fund	0	0	0	5,698,216
School Safety Traffic and Pedestrian Improvement Fund	0	850,000	800,000	0
Total	72,710,830	85,332,792	88,352,710	99,098,230

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	2016	2017	2018	2018
	Actuals	Adopted	Endorsed	Proposed
Affordable Housing Planning on Publicly Owned Land	0	200,000	200,000	0
Building Code Impact Support	15,050	0	0	0
City Multi-Disciplinary Team (MDT) Reserve	0	170,000	170,000	0
Department of Justice Settlement Agreement/Police Accountability	1,296,789	3,156,531	3,355,762	1,968,400
Domestic Violence Firearms Surrender Staff	0	0	0	138,000
Emergency Homeless Program	2,265,000	0	0	0
Equitable Development Initiative Projects	0	6,500,000	0	0
Fire Station 39 Housing Services	0	475,000	0	0
Food Lifeline	250,000	475,000	475,000	0
Get Engaged: City Boards and Commissions	0	34,937	34,937	34,937
Immigrant and Refugee Leadership Program	75,000	0	0	0
Impact Fee Evaluation	124,821	0	0	0
Lambert House	0	100,000	0	0
Mercer Teardrop Sale Study	0	100,000	100,000	0
North Seattle Human Services Summit	0	125,000	125,000	0
Northgate Affordable Housing Strategic Plan	0	90,000	0	0
Parking Garage Loan Repayment	11,168,987	0	0	0
Pearl Warren Building Rehabilitation	11,170	0	0	0
Police Accountability Reserve	24,964	0	0	0
Police Civilian Community Liaison Services	0	200,000	1,800,000	1,800,000
Police Domestic Violence Detectives	0	0	0	24,000
Recurring Reserve-Election Expense	1,063,905	900,000	1,600,000	1,600,000
Recurring Reserve-Family Leave Program	0	2,000,000	2,000,000	2,000,000
Recurring Reserve-Fire Hydrants	8,232,366	8,512,000	8,812,000	9,540,000

Finance General

Recurring Reserve-Office of Professional Accountability Auditor	157,850	0	0	0
Recurring Reserve-Pacific Science Center Lease Reserve	120,000	120,000	120,000	120,000
Recurring Reserve-Police Intelligence Officer	0	15,000	15,000	0
Recurring Reserve-Portable Art Rental and Maintenance	304,260	310,154	310,154	332,966
Recurring Reserve-Puget Sound Clean Air Agency	647,370	640,000	640,000	718,000
Recurring Reserve-State Examiner	860,701	878,416	878,416	878,416
Recurring Reserve-Street Lighting	9,890,000	12,500,000	13,200,000	13,200,000
Recurring Reserve-Tax Refund Interest	127,505	775,000	775,000	775,000
Recurring Reserve-Transit Pass Subsidy	3,539,574	4,017,513	4,057,089	4,454,000
Recurring Reserve-Voter Registration and Pamphlet	1,302,291	1,500,000	1,500,000	1,500,000
Recurring Reserve-Workers' Compensation Total Disability Claims	0	0	0	500,000
Seattle Indian Services Commission Debt Service Payment	438,968	442,000	445,000	454,000
Seattle Opera	200,000	0	0	0
Seattle Retirement Savings Plan	0	0	0	200,000
Suquamish Project	1,500,000	0	0	0
Sweetened Beverage Tax Community Advisory Board Recommendations	0	0	0	2,775,156
Sweetened Beverage Tax Related Job Retraining	0	0	0	500,000
University District Food Bank Building	250,000	0	0	0
Total	43,866,570	44,236,551	40,613,358	44,012,875

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.

Program Expenditures	2016	2017	2018	2018
	Actuals	Adopted	Endorsed	Proposed
Construction and Inspections Fund	6,624,487	7,037,833	6,484,400	6,815,696
Department of Education Fund	7,046,367	10,353,441	8,193,132	14,039,174
Drainage and Wastewater Fund	1,532,002	968,370	984,346	1,120,950
Firefighters Pension Fund	17,163,500	18,787,000	19,481,248	18,840,000
Housing Operating Fund	416,385	242,950	143,120	286,240
Human Services Operating Fund	78,346,241	90,579,794	88,313,241	95,479,510
Library Fund	51,990,217	52,321,519	53,516,033	53,860,290
Low Income Housing Fund	0	29,000,000	0	32,500
Neighborhood Matching Subfund	3,217,054	3,044,195	3,069,648	2,921,715
Parks and Recreation Fund	100,368,274	103,265,523	106,794,463	108,438,810
Police Relief and Pension Fund	21,330,843	21,313,000	21,770,367	21,771,140
Seattle Center Fund	14,209,672	13,044,011	13,226,457	12,981,851
Solid Waste Fund	6,600,131	8,465,612	8,565,669	7,421,607
Transportation Fund	45,507,611	42,966,162	41,608,394	41,903,976
Total	354,352,784	401,389,410	372,150,518	385,913,459

Office of Hearing Examiner

Sue Tanner, Hearing Examiner

(206) 684-0521

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

Department Overview

The Office of Hearing Examiner is Seattle's quasi-judicial forum for reviewing factual and legal issues raised by the application of City Code requirements to specific people or property. As authorized by the Seattle Municipal Code, the office conducts hearings and decides appeals in cases where citizens disagree with a decision made by a City agency. Many of the matters appealed to the Hearing Examiner relate to land use and environmental permit decisions and interpretations made by the Seattle Department of Construction and Inspections. The Hearing Examiner also hears appeals in many other subject areas and makes recommendations to the City Council on rezone petitions, major institution master plans, and other Council land-use actions. Pursuant to authority granted in 2004, the Hearing Examiner also provides contract hearing examiner services to other local governments.

The Hearing Examiner is appointed by the City Council, and Deputy Hearing Examiners are appointed by the Hearing Examiner. Examiners handle all pre-hearing matters, regulate the conduct of hearings, and prepare decisions and recommendations based upon the hearing record and applicable law. The code requires all examiners to be attorneys with training and experience in administrative hearings. The Hearing Examiner also manages an executive assistant to oversee the administrative areas of the office, a legal assistant to assist with hearings and decision preparation, and an administrative specialist to support all other office positions and provide information to the public.

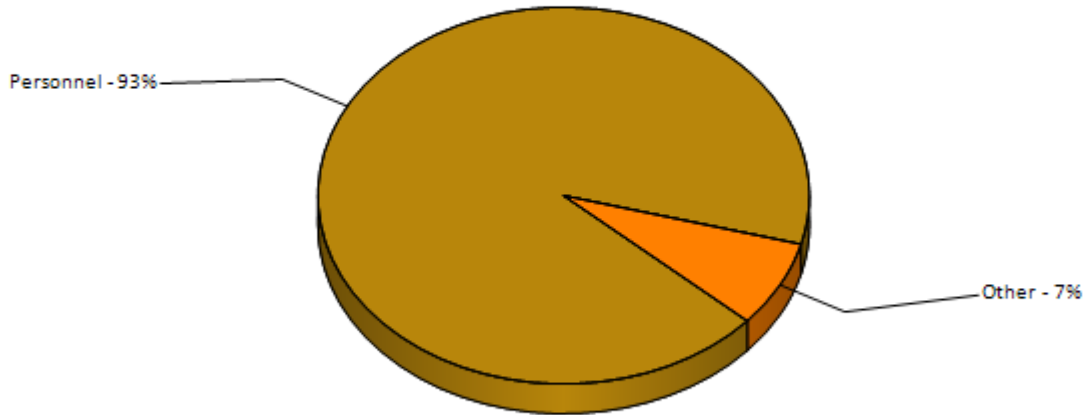
Budget Snapshot

Department Support	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
General Fund Support	\$719,021	\$717,415	\$725,696	\$749,984
Total Operations	\$719,021	\$717,415	\$725,696	\$749,984
Total Appropriations	\$719,021	\$717,415	\$725,696	\$749,984
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 Human Resources Director actions outside of the budget process may not be detailed here.

Office of Hearing Examiner

2018 Proposed Budget - Expenditure by Category



Budget Overview

The 2018 Proposed Budget does not recommend significant changes to the Office of the Hearing Examiner budget.

Office of Hearing Examiner

Incremental Budget Changes

Office of Hearing Examiner

	2018	
	Budget	FTE
Total 2018 Endorsed Budget	\$ 725,696	4.63
Baseline Changes		
Citywide Adjustments for Standard Cost Changes	\$ 1,288	0.00
Proposed Changes		
Case Load Increase	\$ 12,000	0.00
Files and Records Information Tracking System (FRITS) Development	\$ 11,000	0.00
Total Incremental Changes	\$ 24,288	0.00
2018 Proposed Budget	\$ 749,984	4.63

Descriptions of Incremental Budget Changes

Baseline Changes

Citywide Adjustments for Standard Cost Changes - \$1,288

Citywide technical adjustments made in the baseline phase reflect changes to internal services costs, health care, and industrial insurance charges for the department. These adjustments reflect initial assumptions about these costs and inflators early in the budget process.

Proposed Changes

Case Load Increase - \$12,000

In the 2017 budget, Council added one-time funding for additional Pro Tem support to handle the increase in hearing caseload due to recently passed legislation (labor standards secure scheduling and rental/move in fee legislation.) This adjustment changes that one-time funding to ongoing, as the caseload is projected to continue at the same increased level.

Files and Records Information Tracking System (FRITS) Development - \$11,000

Each new case type assigned to the Office of Hearing Examiner from Council legislation requires IT development work from an outside vendor on the Files and Records Information Tracking System, the Hearing Examiner's case management system. This one-time cost for FRITS development is based on adding an estimated 2-3 new case types.

Office of Hearing Examiner

Expenditure Overview

Appropriations	Summit Code	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Office of Hearing Examiner Budget Control Level	V1X00	719,021	717,415	725,696	749,984
Department Total		719,021	717,415	725,696	749,984

Department Full-time Equivalents Total*	4.63	4.63	4.63	4.63
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** FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.*

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	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Office of Hearing Examiner	719,021	717,415	725,696	749,984
Total	719,021	717,415	725,696	749,984
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 Human Resources Director actions outside of the budget process may not be detailed here.*

Seattle Department of Human Resources

Susan L. Coskey, Director

(206) 684-7999

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

Department Overview

The Seattle Department of Human Resources' goal is to promote an equitable and engaging work environment so employees can do their best work and make a difference for the people and communities we serve.

SDHR is currently structured into four primary areas of operation:

- The **Director's Office** establishes Citywide personnel rules; offers strategic consultative assistance to departments, policymakers and employees; provides human resources support to several executive offices; and spearheads Citywide programs and efforts such as the Human Resources Strategic Plan and the Workforce Equity Initiative. Included in the Director's Office are the Workforce Equity Unit, Director's Office, Finance and Business Operations Unit, and HR Service Delivery.
- The **Talent Acquisition and Development Division** includes two sub-divisions:
 - **Training Development and Organizational Effectiveness** has integrated Citywide employee training and development, including the City Leadership Academy.
 - **Recruitment and Retention** provides recruitment, staffing services and technical assistance to all City departments so that the City can meet its hiring needs efficiently, comply with legal guidelines, and accomplish its work.
- The **Administrative Services Division** administers Citywide quality and cost-effective employee benefits, including health care and workers' compensation; provides Citywide safety, classification/compensation and Human Resource Information System (HRIS) Management services; manages the City's voluntary deferred compensation plan; and handles absence management.
- The **Labor Relations Division** negotiates and implements collective bargaining agreements and administers the City's Personnel Rules.

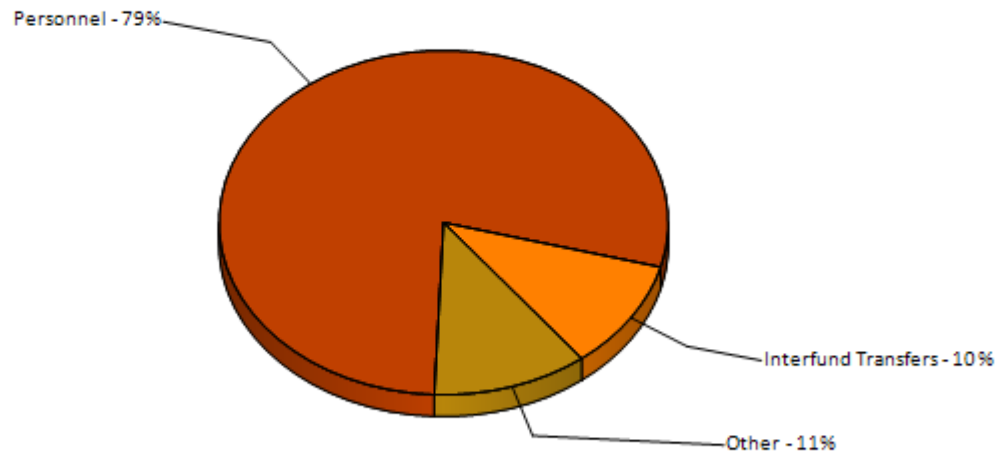
Budget Snapshot

Department Support	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
General Fund Support	\$17,143,466	\$18,824,913	\$19,257,346	\$19,114,017
Total Operations	\$17,143,466	\$18,824,913	\$19,257,346	\$19,114,017
Total Appropriations	\$17,143,466	\$18,824,913	\$19,257,346	\$19,114,017
Full-time Equivalent Total*	148.25	158.75	158.75	158.50

* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here. The 2018 Proposed FTE totals includes 44 vacant Apprentice, Office Maintenance Aide and Contract-In positions that SDHR holds for Citywide use.

Seattle Department of Human Resources

2018 Proposed Budget - Expenditure by Category



Budget Overview

Human resources (HR) at the City of Seattle have been delivered through a combination of central and departmental HR staff. The Seattle Human Resources Department (SDHR) provides direct, central HR support for the City's executive offices and smaller departments. The City's larger departments, however, have their own HR staffs which report to their specific department executives rather than to SDHR. A decentralized HR system creates the potential for varying levels of HR services and employee experiences across the City.

In 2014, the City asked SDHR to align services and policies across all City departments with the goal of providing an equitable and consistent experience to all City employees. SDHR developed a strategic plan for the delivery of Citywide HR services that will carry out the goals of workforce equity and improved HR service delivery. To reach these goals, the 2016 Workforce Equity (WFE) Plan recommended the City implement the following platform strategies that affect culture and sustainable change and workforce investments that fund employee benefits and opportunities:

- Sustained and accountable commitment by leadership
- Training to promote unbiased employment decisions
- Adoption of Citywide employee performance management
- Improved tracking of workforce demographic metrics
- Interactive employee web portal

A consolidated, Citywide HR system was identified as a critical component of workforce equity by creating a centrally accountable organization to deliver the platform strategies and workforce investments.

The 2018 Proposed Budget does not transfer any FTEs or include appropriation from other City departments into

Seattle Department of Human Resources

SDHR. Instead, 2018 is focused on implementing changes to move away from the current decentralized HR service model. Once the foundational work of a centralized HR is underway, transferring Citywide HR resources under One HR may begin in the 2019 budget.

Service Delivery Model

A centralized service delivery model reconfigures the Citywide community of HR professionals with a focus on creating consistent and equitable HR services for all City employees. The 2018 Proposed Budget adds a staff position to support the work of SDHR's Director of Service Delivery. The position will manage the partnerships between SDHR and the Citywide network of HR professionals and provide counsel on the direction of service delivery.

The implementation of One HR follows a model based on four service areas that support HR best practices:

1. **People Strategy, Policy, Governance & Workforce Equity, and Labor Relations** – This addresses the creation of Citywide policies and procedures, the development of strategic HR initiatives, compliance to local and federal rules, and provides support and governance to the other three areas.
2. **Shared Administrative Services** – This group builds and expands on the existing functions in SDHR's Division of Administrative Services. The objective for shared administrative services is to manage administrative, repetitive, and transactional functions. It will also provide the foundation for Citywide HR fundamentals, such as employee benefits and job classification and compensation.
3. **Service Delivery Directors/Managers and Teams** – One HR will create a structure of service delivery directors/managers and teams that have both the authority and autonomy to deliver HR services across the City, and are accountable to SDHR in governance, direction, and consistency.
4. **Practice Leaders and Teams** – This area pulls together Citywide HR professionals who support specific functions to develop action plans to address common pain points in HR services, such as recruitment and retention, workforce equity, training, and development.

One HR Operations

The first year of One HR focuses on continued refinement of central versus local service delivery, while maintaining current service levels to departments.

Over time, SDHR will improve HR services' consistency and quality, focusing first on opportunities that have the greatest impacts on workforce equity and City departments' needs.

Joint Accountability Agreement Memorandums

SDHR facilitated a series of workshops throughout 2017 to analyze existing HR service needs and identify gaps in City department HR services. The primary outcome of this comprehensive effort is the creation of joint accountability agreements between SDHR and departments, effective January 1, 2018.

HR professionals at City departments outside of SDHR will remain employees at those departments throughout 2018. Instead, the joint accountability agreements create the operational basis of HR consolidation in 2018 for effective management of HR professionals and service standards. The agreements create a matrix structure that recognizes the mutual commitment and business partnership between SDHR and departments.

Workforce Equity

Greater workforce equity is the primary objective of One HR. The 2016 Workforce Equity Strategic Plan provided a roadmap of platform and workforce investment strategies to foster organizational and programmatic changes. Aside from resources dedicated to the structural shifts towards a One HR model, SDHR is engaged with several program improvements to advance workforce equity using resources added in recent budgets.

Seattle Department of Human Resources

Workforce Development

An employment pathways and green jobs specialist was added in 2017 to create an inventory of entry-level jobs across the City, particularly ones that support the City's commitment to environmental justice. This position will promote opportunities to help develop a workforce inclusive of Seattle's communities, particularly underserved communities. In 2018, SDHR will expand its equity based trainings by launching a new training curriculum to reduce implicit bias in employment decisions.

Management of Employee Leave Benefits

In 2017, the City expanded its paid parental leave benefit from four weeks up to 12 weeks and created a new benefit of up to four weeks of paid family care leave. SDHR's new Leave Administrator is developing programs to support employees' understanding and use of their benefits.

In June 2017, the Washington Legislature approved a 12- to 16-week paid family leave program. The state will begin collecting premiums from employees and employers beginning in January 2019 to fund the benefit that begins in 2020. Throughout 2017 and 2018, the Leave Administrator will analyze intersections between the State and City's paid extended leave programs and make recommendations to joint labor-management conversations on necessary adjustments to the City's benefits to ensure compliance.

Seattle Department of Human Resources

Incremental Budget Changes

Seattle Department of Human Resources

	2018	
	Budget	FTE
Total 2018 Endorsed Budget	\$ 19,257,346	158.75
Baseline Changes		
Baseline Technical Adjustments	\$ 0	0.00
Citywide Adjustments for Standard Cost Changes	-\$ 71,517	0.00
Supplemental Budget Changes	\$ 189,954	1.75
Proposed Changes		
Abrogate HRIS Specialist	-\$ 111,959	-1.00
Seattle Shares Program	-\$ 143,203	-1.00
Add Service Delivery Advisor for HR Consolidation	\$ 148,627	1.00
Abrogate Finance Unit Accountant	-\$ 100,231	-1.00
Workers' Compensation System Replacement	\$ 145,000	0.00
Proposed Technical Changes		
Technical Adjustment to Reflect Internal Reorganization	\$ 0	0.00
2018 SRI Funding Changes	-\$ 200,000	0.00
Total Incremental Changes	-\$ 143,329	-0.25
2018 Proposed Budget	\$ 19,114,017	158.50

Descriptions of Incremental Budget Changes

Baseline Changes

Baseline Technical Adjustments

This adjustment reflects the net-zero allocation of existing resources to support the continued improvements to the internal organizational structure SDHR made in 2016 and 2017.

Citywide Adjustments for Standard Cost Changes - (\$71,517)

Citywide technical adjustments made in the baseline phase reflect changes to internal services costs, health care, and industrial insurance charges for the department. These adjustments reflect initial assumptions about these

Seattle Department of Human Resources

costs and inflators early in the budget process.

Supplemental Budget Changes - \$189,954/1.75 FTE

This adjustment reflects changes made through supplemental budget legislation since the last adopted budget. Supplemental budget legislation is developed by the Executive and adopted by the City Council four times a year to provide for corrections to the adopted budget, unforeseen changes in circumstance, new funding opportunities or new policy priorities. These changes may include additions or reductions in appropriations and FTEs. The 2017 1st Quarter Supplemental Budget Ordinance increased an existing workers' compensation analyst from 0.5 FTE to 1.0 FTE and increased an existing financial analyst from 0.75 FTE to 1.0 FTE. The 2017 2nd Quarter Supplemental Budget Ordinance added a personnel analyst to the benefits unit to manage retiree medical plan administration, a body of work that transferred out of the Employees' Retirement Department to SDHR in 2017. The Retirement Department will cover the costs for this position.

Proposed Changes

Abrogate HRIS Specialist - (\$111,959)/(1.00) FTE

This adjustment abrogates a vacant 1.0 FTE HRIS specialist position in the information management unit. Recent reorganization in the division of administration created efficiencies that allow this abrogation.

Seattle Shares Program - (\$143,203)/(1.00) FTE

This adjustment reduces the staffing and management that supports Seattle Shares, the City's employee giving program. SDHR will transfer the administration and management of Seattle Shares to a structured organization that specializes in charitable giving. The Seattle Shares program expanded in two areas in recent years, causing it to outgrow existing resources. First, participation of City employees increased dramatically after the reboot of Seattle Shares following the economic downturn of 2008. Second, the program was enhanced to encourage participation by allowing employees to add and give to organizations of their choice.

These changes elevated the City's risks related to the program's financial administration and required the City to conduct on-going validation that employee-added organizations are active and meet the legal requirements to receive contributions through Seattle Shares.

To mitigate these risks, SDHR will transfer the program and financial administration to an organization that can provide proper management without significant loss of the current program's features or employee participation. A vendor, such as United Way of King County, is expected to provide full giving campaign support and maintain the existing direct-donation model through a City-branded website.

Add Service Delivery Advisor for HR Consolidation - \$148,627/1.00 FTE

The 2018 Proposed Budget adds a 1.0 FTE Strategic Advisor 2 to support the Deputy Director of Service Delivery for the multi-year phase in the "One HR" consolidation of Citywide HR services. This position will be primarily responsible for managing the joint accountability agreements between SDHR and City departments and provide counsel on key decision points to maintain current levels of HR services during the consolidation implementation.

Seattle Department of Human Resources

Abrogate Finance Unit Accountant - (\$100,231)/(1.00) FTE

The workers' compensation unit transferred its medical billing review and administration to an outside vendor beginning July 2017. This adjustment abrogates a position in SDHR's finance unit because of efficiencies created from SDHR's workers' compensation program management.

Workers' Compensation System Replacement - \$145,000

SDHR is currently engaged with the Seattle Information Technology Department (SeattleIT) to replace the City's aging workers' compensation system. SeattleIT will provide the technical program management through implementation of the new system in 2019. This adjustment adds a temporary resource to ensure the new system satisfies SDHR's business needs and provide backfill, as needed. This resource is added into the pooled costs billed to City departments during 2018 and 2019 and collected into the industrial insurance subfund in the Personnel Compensation Trust Fund. The Personnel Compensation Trust Fund budget book section provides the full costs of the new system, including the purchase and SeattleIT's partnership.

Proposed Technical Changes

Technical Adjustment to Reflect Internal Reorganization

This adjustment reflects the alignment of SDHR's budget and finance services to support the HR Consolidation process. The Finance unit will move from the Administrative Services BCL to the Director's Office BCL under the Business Operations Unit and work closely with SDHR's chief of staff and director to develop an internal services fund rate structure that will be implemented Citywide in the 2019 budget.

2018 SRI Funding Changes - (\$200,000)

This adjustment reduces the 2018 level of funding for the Summit Reimplementation (SRI) project as compared to the 2018 Endorsed Budget. This reduction reflects the expected remaining 2018 implementation costs supported by bond funding at SDHR.

Seattle Department of Human Resources

Expenditure Overview

Appropriations	Summit Code	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Administrative Services Budget Control Level	N2000	7,071,281	7,579,940	7,987,549	6,149,374
Director's Office Budget Control Level	N3000	2,236,468	3,905,491	3,765,479	6,103,394
Labor Relations Budget Control Level	N4000	2,043,435	2,027,235	2,078,994	1,832,038
Talent Management and Development Budget Control Level	N1000	5,792,282	5,312,247	5,425,324	5,029,211
Department Total		17,143,466	18,824,913	19,257,346	19,114,017

Department Full-time Equivalents Total*	148.25	158.75	158.75	158.50
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* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here. The 2018 Proposed FTE totals includes 44 vacant Apprentice, Office Maintenance Aide and Contract-In positions that SDHR holds for Citywide use.

Appropriations By Budget Control Level (BCL) and Program

Administrative Services Budget Control Level

The purpose of the Administrative Services Budget Control Level is to administer employee benefits, including health care and workers' compensation, and provide safety services to promote employee health and productivity. This Budget Control Level also provides services that support City department management including financial and accounting services, information management, and classification and compensation services.

	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Program Expenditures				
Administrative Services	7,071,281	7,579,940	7,987,549	6,149,374
Total	7,071,281	7,579,940	7,987,549	6,149,374
Full-time Equivalents Total*	50.75	55.25	55.25	43.00

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

Seattle Department of Human Resources

Director's Office Budget Control Level

The purpose of the Director's Office Budget Control Level is to establish Citywide personnel rules; offer strategic consultative assistance to departments, policymakers and employees; provide human resources support to several executive offices; and spearhead Citywide programs and efforts such as the Human Resources Consolidation Strategic Plan.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Director's Office	2,236,468	3,905,491	3,765,479	6,103,394
Total	2,236,468	3,905,491	3,765,479	6,103,394
Full-time Equivalents Total*	39.00	25.00	25.00	39.00

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

Labor Relations Budget Control Level

The purpose of the Labor Relations Budget Control Level is to provide technical and professional labor-relations services to policymakers and management staff of all City departments. This Budget Control Level implements collective bargaining agreements and administers the City's Personnel Rules.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Labor Relations	2,043,435	2,027,235	2,078,994	1,832,038
Total	2,043,435	2,027,235	2,078,994	1,832,038
Full-time Equivalents Total*	10.00	11.00	11.00	10.00

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

Talent Management and Development Budget Control Level

The purpose of the Talent Management & Development Budget Control Level is to provide staffing services, employee development opportunities, and technical assistance to all City departments. This Budget Control Level includes the Talent Acquisition and Training, Development & Organizational Effectiveness divisions and services such as Equal Employment Opportunity and Police and Fire Exams. This Budget Control Level also includes Supported Employment, Alternative Dispute Resolution and Career Quest units that are under the Workforce Equity division.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Talent Acquisition and Management	5,792,282	5,312,247	5,425,324	5,029,211
Total	5,792,282	5,312,247	5,425,324	5,029,211
Full-time Equivalents Total*	48.50	67.50	67.50	66.50

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

Immigrant and Refugee Affairs

Cuc Vu, Director

(206) 233-3886

www.seattle.gov/iandraffairs

Department Overview

The mission of the Office of Immigrant and Refugee Affairs (OIRA) is to improve the lives of Seattle's immigrant and refugee families. OIRA works to strengthen immigrant and refugee communities by engaging them in decisions about the City of Seattle's future and improving the City's programs and services to meet the needs of all constituents.

OIRA collaborates with the Immigrant and Refugee Commission, community partners, government agencies, faith-based institutions, the private sector, and City departments to define and achieve desired outcomes for City investments for immigrants and refugees. According to the 2014 American Community Survey, immigrants and refugees comprise approximately 18% of Seattle's population. OIRA helps ensure that these residents can understand and access City services.

OIRA is dedicated to supporting the City's Race and Social Justice Initiative by consistently using the racial equity toolkit analysis, operationalizing racial equity in our workplans, and engaging directly with immigrant and refugee communities.

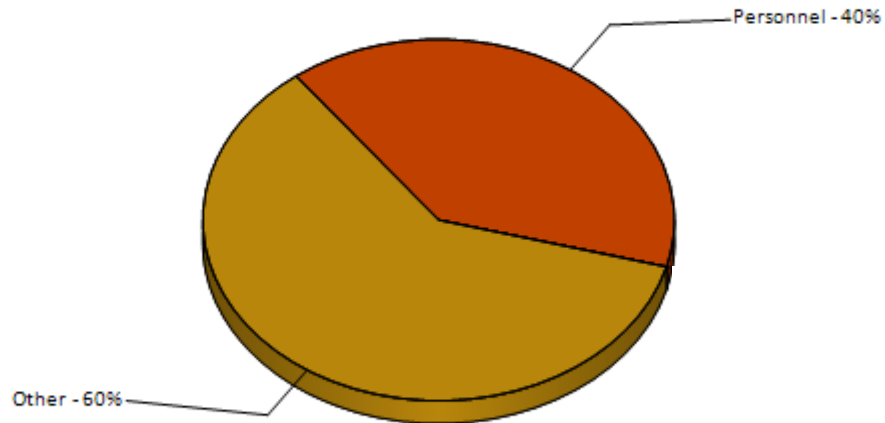
Budget Snapshot

Department Support	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
General Fund Support	\$2,448,717	\$2,531,544	\$2,541,564	\$2,677,467
Other Funding - Operating	\$542,278	\$400,000	\$400,000	\$400,000
Total Operations	\$2,990,995	\$2,931,544	\$2,941,564	\$3,077,467
Total Appropriations	\$2,990,995	\$2,931,544	\$2,941,564	\$3,077,467
Full-time Equivalent Total*	9.50	9.50	9.50	9.00

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

Office of Immigrant and Refugee Affairs

2018 Proposed Budget - Expenditure by Category



Budget Overview

The Office of Immigrant and Refugee Affairs (OIRA) has experienced significant growth in its funding and responsibilities since the 2014 Adopted Budget. In 2014, the office was comprised of three FTEs and a \$360,000 budget. The 2018 Proposed Budget for OIRA includes nine FTEs and a budget of \$3 million.

Over the last three years, resources have been added to OIRA including a language access coordinator and an ethnic media and communications coordinator because translation, interpretation, and multi-lingual communication are critical aspects of immigrant integration. Resources were also added for the Ready to Work program which aims to increase the opportunity for limited English proficient residents to obtain and retain quality employment. This program began in Southeast Seattle and then later expanded to the Lake City neighborhood in North Seattle. The New Citizen Program was also transferred from the Human Services Department to OIRA and then expanded. This program gives grants to local organizations to provide citizenship classes, one-on-one assistance and eligibility screening. Funding was added to enable the program to serve more residents and increase the number of lawful permanent residents applying for citizenship. Added funding also allowed OIRA to organize large-scale citizenship workshops and smaller monthly clinics with no charge to participants, leading to a 125% increase in residents served since 2015. In 2017, the City of Seattle and King County jointly funded a \$1.5 million Legal Defense Fund for immigrants and refugees to provide civil legal aid to people going through immigration proceedings.

The 2018 Proposed Budget adds resources to sustain and enhance the Immigrant Family Institute (IFI). The IFI seeks to build understanding between Seattle Police Department officers and the communities they serve. The program features an eight-week curriculum, engages City departments to raise awareness about available services, and develops community leadership and capacity within some of Seattle's most vulnerable communities. In 2018, OIRA will add a seven-week parenting skills component to IFI. OIRA will use the Strengthening Families Program, an evidenced-based parenting skills program. This addition comes at the direct request of the

Office of Immigrant and Refugee Affairs

participants of IFI who believe they need parenting skills development to achieve program goals. The purpose of this added curriculum is to work toward the foundational program goals of preventing families from negatively engaging with the juvenile justice system.

Incremental Budget Changes

Immigrant and Refugee Affairs

	2018 Budget	FTE
Total 2018 Endorsed Budget	\$ 2,941,564	9.50
Baseline Changes		
Citywide Adjustments for Standard Cost Changes	\$ 20,847	0.00
Proposed Changes		
Immigrant Family Institute	\$ 69,019	-0.50
Proposed Technical Changes		
Ethnic Media Position Reclassification	\$ 11,037	0.00
Increase in State Funding for New Citizen Program	\$ 35,000	0.00
Total Incremental Changes	\$ 135,903	-0.50
2018 Proposed Budget	\$ 3,077,467	9.00

Descriptions of Incremental Budget Changes

Baseline Changes

Citywide Adjustments for Standard Cost Changes - \$20,847

Citywide technical adjustments made in the baseline phase reflect changes to internal services costs, health care, and industrial insurance charges for the department. These adjustments reflect initial assumptions about these costs and inflators early in the budget process.

Proposed Changes

Immigrant Family Institute - \$69,019/(-.50) FTE

This adjustment adds \$50,000 to add a parenting skills component to the Immigrant Family Institute (IFI); adds \$19,000 of funding to help sustain the program; and eliminates a half-time position. The IFI was piloted as an eight-week program in 2017 and builds off the award-winning success of the Refugee Women's Institute. IFI

Office of Immigrant and Refugee Affairs

brings together immigrant youth of color (ages 10-14), their parents/guardians, and Seattle police officers to learn from each other over eight sessions. It is aimed at immigrant families who had direct or indirect experience with the juvenile justice system and is intended to prevent deeper or more serious involvement. At the very first session of the IFI, parents/guardians told staff they needed parenting skills classes to effectively work towards preventing and avoiding negative interactions with the juvenile justice system. OIRA will use the *Strengthening Families Program*, recognized as a top-ranked parenting skills program according to research conducted by Dr. Sarah Walker of the University of Washington for the City of Seattle (Culturally Responsive Resources and Needs to Address Adolescent Family Violence in Seattle).

This adjustment also includes \$19,000 of ongoing funds to sustain current IFI costs, and it eliminates a half-time Community Development Specialist. This position had been added to support the IFI; however, OIRA never filled the position and instead used the funds to hire consultants to support IFI instead. Because IFI is only for eight weeks once a year, consultant resources are more appropriate than an ongoing position.

Proposed Technical Changes

Ethnic Media Position Reclassification - \$11,037

This adjustment provides funding for a reclassification of the Ethnic Media and Communications Manager from a Strategic Adviser 1 Exempt to a Strategic Adviser 2 Exempt to reflect an increase in responsibility and scope of work for this position.

Increase in State Funding for New Citizen Program - \$35,000

This adjustment reflects an increase in the Washington Department of Social and Health Services contract with OIRA to support the New Citizen Program (naturalization case management, which OIRA subcontracts to community based providers). The 2017-18 award is \$70,000 more than the 2016-17 award; OIRA expects to spend half of this increase in 2018. The 2017 portion (also \$35,000) is included in the 2017 3rd Quarter Supplemental Budget Ordinance.

Expenditure Overview

Appropriations	Summit Code	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
CDBG - Office of Immigrant and Refugee Affairs Budget Control Level	6XN10	542,278	400,000	400,000	400,000
Office of Immigrant and Refugee Affairs Budget Control Level	X1N00	2,448,717	2,531,544	2,541,564	2,677,467
Department Total		2,990,995	2,931,544	2,941,564	3,077,467
Department Full-time Equivalent Total*		9.50	9.50	9.50	9.00

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

Office of Immigrant and Refugee Affairs

Appropriations By Budget Control Level (BCL) and Program

CDBG - Office of Immigrant and Refugee Affairs Budget Control Level

The purpose of the CDBG - Office of Immigrant and Refugee Affairs Budget Control Level is to provide support to community-based development organizations with the goal of increasing the socioeconomic and civic opportunities for immigrants and refugees in Seattle.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
CDBG - Office of Immigrant and Refugee Affairs	542,278	400,000	400,000	400,000
Total	542,278	400,000	400,000	400,000

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.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Office of Immigrant and Refugee Affairs	2,448,717	2,531,544	2,541,564	2,677,467
Total	2,448,717	2,531,544	2,541,564	2,677,467
Full-time Equivalent Total*	9.50	9.50	9.50	9.00

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

Seattle Information Technology Department

Michael Mattmiller, Director & Chief Technology Officer

(206) 684-0600

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

Department Overview

The Seattle Information Technology Department (Seattle IT) provides strategic direction for and management of the City's information technology resources. These include telecommunications, data, and supporting physical infrastructure; applications and application infrastructure; computer engineering and operations; data centers, servers, storage, and backup equipment; desktop, mobile, and printing devices; cloud services; digital engagement services; and the services to provide, maintain, and support the above for the City.

Seattle IT is a relatively new department, created in April 2016, comprised of information technology staff and resources previously located throughout City departments and in the City's previous IT department, the Department of Information Technology (DoIT). With a full view of the City's IT needs, Seattle IT looks for opportunities to consolidate multi-department IT requests into one Citywide project, identifies similar programs that can share a common platform, and considers where a department may already have a solution that another department could utilize.

Seattle IT is organized into seven divisions: Engineering and Operations; Strategy and Planning; Digital Engagement; Business Office; Security, Privacy, and Compliance; Application Services; and Client Services.

The **Engineering and Operations** division develops, maintains, and manages core IT services including communications and data networks, data center and computer infrastructure, and end user-equipment and support.

The **Strategy and Planning** division facilitates development of the City's technology architecture, standards, and strategy and manages the City's portfolio of IT projects.

The **Digital Engagement** division provides technology to connect the public to the City and promotes digital equity across Seattle. The division provides Citywide web services and the City's Open Data portal, oversees cable television franchises, produces the Seattle Channel and manages the City's data privacy program.

The **Business Office** division provides the services that enable the successful operation of the department including executive management, finance, budget, accounting, human resources, performance management, administrative, contracting and purchasing services.

The **Security, Privacy, and Compliance** division provides secure and compliant computing environments through the development of appropriate policies and application of enforcement measures.

The **Application Services** division designs, develops, integrates, implements and supports application solutions in accordance with citywide architecture and governance.

The **Client Services** division provides account management and support for Seattle IT customers to ensure that services provided to departments are well planned and executed, aligned with the City's technology strategies

Seattle Information Technology Department

and standards, and meeting customer business needs.

As an internal service department, Seattle IT provides services to other City departments that in turn pay Seattle IT for those services they purchase. As such, Seattle IT receives revenue from most of the major fund sources within the City, including the General Fund, Seattle City Light, Seattle Public Utilities, Seattle Department of Transportation, Seattle Department of Construction and Inspections and the Retirement Fund. Seattle IT also receives funds from the City's Cable Television Subfund, grants and other government agencies external to the City (e.g., the Seattle School District, the Port of Seattle) that buy Seattle IT services for special projects.

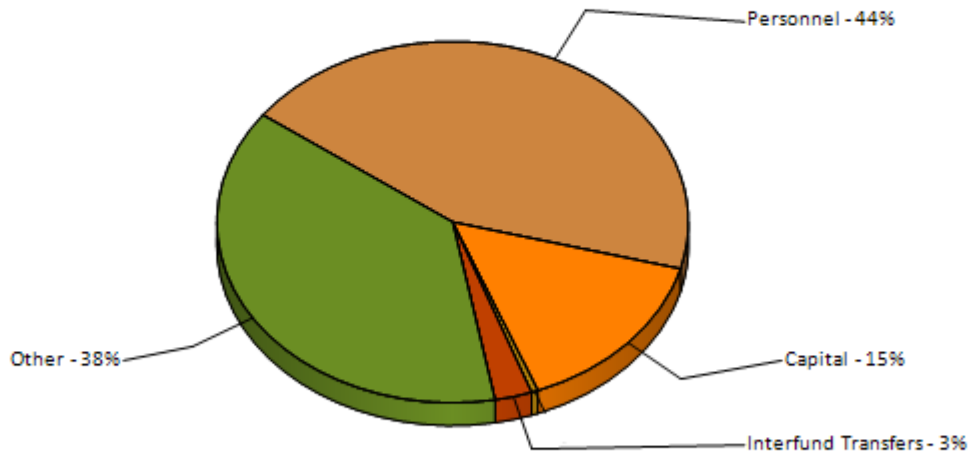
Budget Snapshot

Department Support	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
General Fund Support	\$9,103,446	\$19,002,200	\$18,772,186	\$21,517,541
Other Funding - Operating	\$87,770,075	\$184,325,086	\$175,012,012	\$191,530,562
Total Operations	\$96,873,521	\$203,327,286	\$193,784,198	\$213,048,103
Other funding - Capital	\$31,993,898	\$42,135,488	\$44,018,288	\$36,896,705
Total Appropriations	\$128,867,419	\$245,462,774	\$237,802,486	\$249,944,808
Full-time Equivalent Total*	205.00	659.60	661.60	667.60

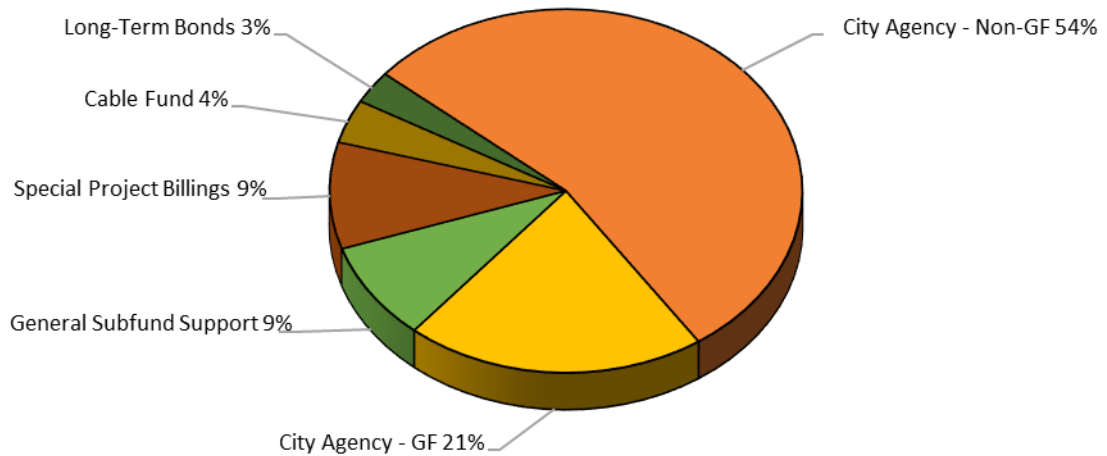
* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

Seattle Information Technology Department

2018 Proposed Budget - Expenditure by Category



2018 Proposed Budget - Revenue by Category



Seattle Information Technology Department

Budget Overview

To develop the 2018 Proposed Budget, Seattle IT solicited new IT project proposals from departments; evaluated proposals based on need, security, compliance and cost; looked for opportunities to create efficiencies and invest in common platforms; and approved individual department IT requests. The proposed budget reflects Seattle IT's vision of being "One City, connected by technology" and follows three primary objectives: to connect people to their government, enable an effective and productive workforce, and build a digitally-equitable community.

IT Consolidation

The 2017 Adopted Budget represented the first consolidated information technology budget in the City's history. Hundreds of employees were transferred to Seattle IT from multiple departments along with their existing IT resources and project budgets. The 2017 budget also reflected a new organizational structure for the new department, comprised of **shared service teams** and **department client services teams**. During its first year of IT consolidation, Seattle IT has made additional changes to refine its organizational structure and reassign employees transferred from departments to shared service teams.

Shared services teams, which work on tasks such as strategy and planning or engineering and operations, are overseen by directors reporting to the Chief Technology Officer. Having one delivery team in the City for a particular IT service allows for investment and service maturity that could not otherwise be afforded by a single department. Similarly, pooling resources allows for more efficient usage and creates capacity to invest in other services not currently available. The 2018 Proposed Budget reflects a fully integrated Application Services division which will design, develop, integrate, and support application systems.

Department client services teams are led by Seattle IT Client Service Directors and are responsible for the delivery of technology services to their departments. Over time, as the client service teams are formed, they will have dedicated resources to help envision and deliver strategic technology solutions in close coordination with staff in each City department. In 2017, many legacy department IT employees transferred to Seattle IT during consolidation were gradually reassigned to shared service teams to help realize efficiencies across common platforms.

As Seattle IT was implementing its new organizational structure, the department was also developing a new project-activity based cost accounting structure under the Citywide Summit Reimplementation (SRI) project. While other City departments will use their 2018 Endorsed Budgets as a baseline for their proposed budgets, and then will convert their final adopted budgets for SRI, the convergence of IT consolidation and SRI created a unique opportunity for Seattle IT to zero-base their budget to incorporate changes stemming from both initiatives simultaneously.

Summit Reimplementation (SRI)

The Citywide Summit Reimplementation (SRI) project began in 2013 with the goal of moving the existing Summit 8.8 system to its most current software release, PeopleSoft Financials 9.2 (Summit 9.2). The SRI project will improve accountability, transparency, and efficiency in Seattle IT's project cost structure and cost allocation methodology. With the help of consultants and experts on the SRI project team in the Department of Finance and Administrative Services, Seattle IT developed a framework for project-activity based cost accounting that will serve as the foundation for the new Summit financial management reporting and accounting system.

Budget Conversion

To convert Seattle IT's budget to the new SRI project structure, the proposed budget includes one large technical adjustment to transfer funds from the seven budget control levels and 42 budget programs in Summit 8.8 to the eight budget control levels and 38 budget programs in Summit 9.2. The most significant changes to the project

Seattle Information Technology Department

structure for Seattle IT include:

- creation of the Leadership and Administration Budget Control Level to house Seattle IT's indirect costs and administrative overhead that is not directly assigned to specific projects;
- creation of the Capital Improvement Program (CIP) Budget Control Level to clearly delineate Seattle IT's capital costs from operating costs in its budget;
- the creation of 38 budget programs and the creation of new projects within each program to represent Seattle IT's lines of business and the services provided to customer departments;
- standardization of activities within each project to track specific components or tasks such as maintenance, service requests, planning and execution; and
- distribution of indirect costs to projects when feasible, with remaining indirect costs budgeted and reported in the Leadership and Administration Budget Control Level.

These changes resulted in an overall increase of double-appropriated budget within Seattle IT due to new cost accounting policies under the Financial Management and Accountability Program.

Department Rates / Seattle IT Revenue

The restructuring of Seattle IT's budget shifts funding between projects and, most significantly, will change the way Seattle IT charges indirect costs and administrative overhead to customer departments. Seattle IT is also developing a new cost allocation methodology based on a review of best practices in other cities and counties which will change how rates are set for each of Seattle IT's central projects or services. Given the timing of the 2018 budget cycle, there was not sufficient time to revise the baseline budget to reflect the new consolidated project based structure and cost pools before central rates were set in May 2017. The decision was made to keep 2018 rates from Seattle IT at the level in the 2018 Endorsed Budget, plus adjustments for any department-specific projects, to provide rate predictability as departments prepared their own budget submittals. Upon adoption of the 2018 budget, Seattle IT will compare rates in the 2018 Adopted Budget to the rates that should have been charged in the new project based budget and cost pools; this will be done on a department level. Differences between the new rates and the adopted rates will be applied to Seattle IT's future budget year charges.

For more general information on the Citywide Summit Reimplementation project, please see the Department of Finance and Administrative Services budget section.

2018 Proposed Budget Changes

In addition to the many technical changes related to Seattle IT's new consolidated project based structure, the 2018 Proposed Budget includes new projects that will help the department deliver on the City's Technology Strategic Agenda, implement mandated programs and services, and facilitate new department-led initiatives. New projects in the proposed budget generally fall under one or more of the following technology priorities:

Privacy

The City has an obligation to protect its technology resources and earn the public's trust in how it collects and uses information. In August 2017, the City Council passed a Surveillance Ordinance ([Ordinance 125376](#)) to bring additional transparency and accountability to the City's acquisition of surveillance technology and use of surveillance data. The proposed budget includes funding for one permanent and one temporary position for Seattle IT to implement its new responsibilities as required by the ordinance.

Service and System Maturity

Seattle IT strives to deliver enterprise grade, scalable, sustainable services to its customers. Focusing on service and system maturity will lower ongoing operational costs and improve the customer experience.

The 2018 Proposed Budget increases technology support for Citywide applications including SharePoint,

Seattle Information Technology Department

PeopleSoft, and GovQA. The proposed budget also provides funding to replace systems nearing end of life and resources to maintain existing systems.

Public Experience

One of the goals of the consolidated Seattle IT department is to connect the public with City government and identify tools that broaden public engagement. The 2017 Adopted Budget included support for the digital equity action plan and provided funding to improve the City's engagement with the public through web-based applications. To further advance the City's digital equity work, the proposed budget includes funding for closed captioning services of live City Council and Council Committee video on the Seattle Channel.

Department Projects

The proposed budget includes a number of department-specific IT projects for which Seattle IT will do the work and collect rates or bill departments directly. These projects are appropriated both in Seattle IT and the respective departments. These projects are shown in the Seattle IT budget; however, the detail for these projects are included in the budget sections for the individual departments. Therefore, please see the individual department's budget sections for details.

Seattle Information Technology Department

Incremental Budget Changes

Seattle Information Technology Department

	2018	
	Budget	FTE
Total 2018 Endorsed Budget	\$ 237,802,486	661.60
Baseline Changes		
Citywide Adjustments for Standard Cost Changes	\$ 4,864,943	0.00
Supplemental Budget Changes	\$ 112,503	1.00
Technical Adjustment to Baseline Budget	\$ 8,476,808	0.00
Proposed Changes		
Citywide Summit Re-Implementation Project	\$ 1,500,000	0.00
PeopleSoft Financials 9.2 Software Operational and Maintenance Costs	\$ 1,088,802	4.00
Seattle Municipal Tower Remodel	-\$ 4,800,000	0.00
Senior Finance Analyst FTE	\$ 140,311	1.00
Surveillance Ordinance Resources	\$ 283,138	1.00
Seattle Channel Closed Captioning	\$ 160,000	0.00
Increase Half-Time SharePoint Position to Full Time	\$ 0	0.50
Technical Support for GovQA System	\$ 226,570	0.00
Human Resources Information System Replacement Project	\$ 1,500,000	0.00
City Budget Systems Replacement	\$ 500,000	0.00
Criminal Justice Information System Replacement Projects	-\$ 1,251,396	0.00
Maintenance Cost Reconciliation	\$ 52,509	0.00
Vacancy Rate Assumption	-\$ 2,748,728	0.00
Reduce Non-Personnel Expenditures	-\$ 148,875	0.00
Department of Education and Early Learning Projects	\$ 27,360	0.00
Department of Neighborhoods Projects	\$ 74,000	0.00
Office of Housing Projects	\$ 200,000	0.00
Personnel Compensation Trust Fund Projects	\$ 1,057,155	0.00
Seattle Department of Transportation Projects	\$ 1,243,286	0.00
Seattle Fire Department Projects	\$ 214,386	0.00
Proposed Technical Changes		
Technical Adjustments	-\$ 630,450	-1.50
Total Incremental Changes	\$ 12,142,322	6.00
2018 Proposed Budget	\$ 249,944,808	667.60

Seattle Information Technology Department

Descriptions of Incremental Budget Changes

Baseline Changes

Citywide Adjustments for Standard Cost Changes - \$4,864,943

Citywide technical adjustments made in the baseline phase reflect changes to internal services costs, health care, and industrial insurance charges for the department. These adjustments reflect initial assumptions about these costs and inflators early in the budget process.

Supplemental Budget Changes - \$112,503/1.00 FTE

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

During the planning stage for IT consolidation, Seattle IT worked with departments to determine which positions were "in scope" or "out of scope" for consolidation into the new IT department. During the consolidation process in 2016, Seattle IT and departments missed some positions that should have been consolidated. Additionally, during consolidation, some positions were erroneously transferred to Seattle IT that should have stayed in departments. The First Quarter Supplemental Budget Ordinance included position transfers between the Seattle Police Department and Seattle IT to correct for these errors.

Technical Adjustment to Baseline Budget - \$8,476,808

This adjustment converts Seattle IT's budget to its new project based cost accounting structure under the Citywide Summit Reimplementation (SRI) project by transferring funds from the seven budget control levels and 42 budget programs in Summit 8.8 to the eight budget control levels and 38 budget programs that will exist in the new Peoplesoft Financials 9.2 system. The most significant changes include:

- creation of a Leadership and Administration Budget Control Level to house Seattle IT's indirect costs and administrative overhead that is not directly assigned to specific projects;
- creation of a Capital Improvement Program (CIP) Budget Control Level to clearly delineate Seattle IT's capital costs from operating costs in its budget;
- the creation of 38 budget programs, including new projects within each program to represent Seattle IT's lines of business and the services provided to customer departments;
- standardization of activities within each project to track specific components or tasks such as maintenance, service requests, planning and execution; and
- distribution of indirect costs to projects when feasible, with remaining indirect costs budgeted and reported in the Leadership and Administration Budget Control Level.

These changes resulted in an overall increase of budget appropriated twice within Seattle IT due to new cost accounting policies under the Financial Management and Accountability Program.

In addition, this item adds expenditure authority to pay for various wage adjustments in 2018 stemming from labor settlements in 2016.

Seattle Information Technology Department

Proposed Changes

Citywide Summit Re-Implementation Project - \$1,500,000

This item increases funding for temporary staff and other resources to help Seattle IT transition to the PeopleSoft Financials 9.2 system in 2018. The system is scheduled to go-live in January 2018; however, the Summit Reimplementation (SRI) project will still require involvement from Seattle IT operational and technical staff to develop and test interfaces and reports; conduct user acceptance testing and end user training; create business process documentation; and oversee change management activities, data migration efforts and system stabilization. Given the duration and complexity of the project on top of the department's normal responsibilities, Seattle IT will use temporary staff and contract resources to support this work. A description of the Summit Re-Implementation project is located within the Department of Finance and Administrative Services.

PeopleSoft Financials 9.2 Software Operational and Maintenance Costs - \$1,088,802/4.00 FTE

The Citywide Summit Reimplementation (SRI) project began in 2013 with the goal of moving the existing Summit 8.8 system to its most current software release, PeopleSoft Financials 9.2. The system is scheduled to go-live in January 2018 and Seattle IT will be responsible for its technical support and maintenance. This item includes ongoing funding for new contractual obligations Seattle IT will inherit in 2018 after reimplementation; ongoing funding and position authority for four FTE positions to ensure the internal support team for the Summit system is appropriately staffed; and one-time funding for training and support services. A description of the Summit Reimplementation project is located within the Department of Finance and Administrative Services.

Seattle Municipal Tower Remodel - (\$4,800,000)

In 2017, Seattle IT completed work with the Department of Finance and Administrative Services on the development of a Master Space Plan for the new Seattle IT Department. The Master Space plan addresses multiple items, including the deconstruction of an old data center on the 26th floor; the creation of Seattle IT and the associated staff restructuring; and updating much of the assigned space to new City office space standards. Much of the work included in this initiative (including deconstructing the 26th floor data center and updating the space to new City standards) was already in planning and would have occurred without IT consolidation. The proposed budget modifies funding for the Seattle Municipal Tower (SMT) remodel project in Seattle IT's six-year Capital Improvement Program (CIP) to reflect updates to the timing and overall cost of this project.

Senior Finance Analyst FTE - \$140,311/1.00 FTE

The Seattle IT finance team oversees all financial aspects of a project's lifecycle including budget proposal, planning, implementation, billing, and closure. In 2017, the City consolidated all technology projects into the IT department, doubling the number of projects in Seattle IT's project portfolio to over 35 Capital Improvement Program (CIP) projects and numerous other non-CIP projects. In addition, project support will be a growing need in 2018 and beyond as the Summit Reimplementation (SRI) project shifts the orientation of financial reporting to a project-centric system. This item adds on-going funding and position authority for one full-time Senior Finance Analyst to increase the Seattle IT finance team's capacity to provide financial analysis, reporting, and support to internal and external customers.

Seattle Information Technology Department

Surveillance Ordinance Resources - \$283,138/1.00 FTE

In August 2017, the City Council passed [Ordinance 125376](#) related to the City's acquisition and use of surveillance technologies. The Surveillance Ordinance attempts to mitigate privacy concerns by defining a process by which City departments must thoughtfully plan for the use of these technologies and publicly seek approval for their use prior to acquisition. Under the ordinance, the Seattle IT department is responsible for several new activities, including:

- reviewing potential surveillance technology acquisitions;
- providing expertise to departments on Surveillance Impact Reports;
- maintaining a public website listing exempt surveillance technology;
- producing quarterly and annual reports; and
- directing departments to cease use of surveillance technology or its data if not in compliance with the ordinance.

To perform the work related to the Surveillance Ordinance, the proposed budget funds one Strategic Advisor II FTE position and one two-year Strategic Advisor II position. Seattle IT will re-evaluate its need for two full-time positions to fulfill its responsibilities under the ordinance during the 2019 budget review process. This item is funded through IT rates.

Seattle Channel Closed Captioning - \$160,000

The Seattle Channel strives to produce compelling content that informs residents about city issues, resources and services. The Channel also strives to be inclusive and to both represent and reach diverse audiences. Closed captioning is a process of displaying text on a television, video screen, or other visual display to provide additional or interpretive information of the video presented. To improve the Channel's ability to deliver inclusive content to all residents of the City, the Cable Fund will provide funding for closed captioning services of live City Council and Council Committee videos.

Increase Half-Time SharePoint Position to Full Time - .50 FTE

SharePoint is a strategic, multifaceted tool that integrates Office 365 and provides a platform for collaboration and communication that is consistent, seamless, and easy to use by all City users on their preferred choice of device (laptop, tablet, etc.). To build out, manage, and maintain this environment, the 2018 Proposed Budget will increase a half-time position to full time to serve as a SharePoint Technical Lead. This position will allow the SharePoint team to keep pace as SharePoint usage increases throughout the City and as the platform matures and evolves.

Technical Support for GovQA System - \$226,570

In 2016 the City began implementing GovQA, a tool to manage public disclosure requests. The new Citywide system is a cornerstone of the City's efforts to make Public Records Act compliance a sustainable line of business for City agencies, while also creating a more efficient and consistent experience for the public to submit and track public disclosure requests and communicate with public disclosure officers. This item adds one two-year Strategic Advisor 1 to provide technical operations and maintenance support of the GovQA system, as well as \$66,000 ongoing funding to cover the cost of annual application license fees and other transactional costs. Seattle IT will re-assess its need for an ongoing full-time position to support the system during the 2019 budget review process.

Seattle Information Technology Department

Human Resources Information System Replacement Project - \$1,500,000

The Human Resources Information System (HRIS) supports the City's payroll processing, human resources, benefits administration and retirement payroll. The system was originally implemented in 1995 and has been upgraded six times between 1997 and 2010. The current vendor for HRIS is changing its business strategy which requires the City to review and evaluate options for the future of the system. Planning for HRIS began in 2016 and is expected to continue through 2018 resulting in an options analysis and recommendation to either re-implement or replace the system. The final recommendation will include a multi-year budget proposal for consideration in the 2019-2020 biennial budget process. Funding for the HRIS Replacement Project is included in Seattle IT's six-year Capital Improvement Program (CIP).

City Budget Systems Replacement - \$500,000

This item provides the initial resources to begin the planning and procurement processes for replacement of the budget systems used by the City Budget Office and the Legislative Department. These systems no longer meet the needs of their respective departments and are inadequate budgeting tools to execute performance-based budgeting. This project will also help the City move towards a common budgeting platform that can be built upon by other departments as their individual budget systems need replacement.

Criminal Justice Information System Replacement Projects - (\$1,251,396)

Since 1998, the Criminal Division of the Law Department has been using a case management system called DAMION to track all aspects of the prosecution process. The system is now approaching end of life and needs to be replaced. This item provides the resources to transition DAMION to a web-based system called JWorks. The implementation and ongoing support of JWorks will be managed by existing Law Department IT staff, with support from Seattle IT to integrate the system with the Municipal Court Information System (MCIS) replacement project planned for by the Seattle Municipal Court. The Criminal Justice Information Systems project in Seattle IT's six-year Capital Improvement Program includes increased funding for the DAMION project, and revised funding for the MCIS project to reflect updates to the timing and cost of the project in 2018.

Maintenance Cost Reconciliation - \$52,509

During IT consolidation in 2017, City departments transferred IT resources and project budgets to the Seattle Information Technology Department (Seattle IT). As part of the ongoing consolidation process, Seattle IT has been working on a full review of all licensing and maintenance commitments it has inherited from departments. This effort involves a review of over 600 separate contractual commitments based on information collected from departments. The review to date has identified the need for additional funding from the Seattle Department of Transportation (SDOT) to reconcile the department's maintenance obligations in 2018 with funding provided by the department in 2017.

Vacancy Rate Assumption - (\$2,748,728)

Due to the condensed timeline and complexity of creating the first Seattle IT budget for 2017, Seattle IT did not have the capacity to rationalize and standardize an ongoing vacancy rate assumption to reflect salary savings across the department. This item implements a 3% vacancy rate, resulting in an overall reduction of nearly \$2.77

Seattle Information Technology Department

million in the rates it will charge to departments for annual labor costs.

Reduce Non-Personnel Expenditures - (\$148,875)

Seattle IT analyzed historical spending in the Office of Cable Communications, the Seattle Channel and Community Technology programs and realized efficiencies to reduce ongoing non-personnel expenditures. This adjustment will reduce the budget in Seattle IT by \$148,875 per year and result in equivalent savings to the Cable Fund.

Department of Education and Early Learning Projects - \$27,360

Please see the following change in the individual department budget for more detail:

- Sweetened Beverage Tax Investments

Department of Neighborhoods Projects - \$74,000

Please see the following change in the individual department budget for more detail:

- Historic Preservation Review Process Improvement

Office of Housing Projects - \$200,000

Please see the following change in the individual department budget for more detail:

- IT Assessment and Improvements

Personnel Compensation Trust Fund Projects - \$1,057,155

Please see the following change in the individual department budget for more detail:

- Workers' Compensation System Replacement

Seattle Department of Transportation Projects - \$1,243,286

Please see the following change in the individual department budget for more detail:

- Enhance IT Capacity

Seattle Fire Department Projects - \$214,386

Please see the following change in the individual department budget for more detail:

- Replacement of Backup Dispatch System

Seattle Information Technology Department

Proposed Technical Changes

Technical Adjustments - (\$630,450)/(1.50) FTE

The 2018 Proposed Budget includes numerous technical adjustments, some of which are budget-neutral:

- converts one full-time Project Manager (IT Professional A) position into a billable resource;
- transfers funds to the Department of Parks and Recreation to support telephone coordination;
- transfers ongoing operating and maintenance funding from the six-year Capital Improvement Program (CIP) to the operating budget to better reflect capitalizable expenditures attributed to the CIP;
- transfers funds between accounts to reflect the use of internal billable resources rather than temporary labor or consultants;
- transfers funds to the Seattle Police Department (SPD) Applications Development CIP project from other SPD initiatives in 2018 to support the Records Management System (RMS) replacement project. The transferred funds represent savings from operating and project management costs for Body Worn Video (\$1.55 million), Data Analytics Platform (\$211,000), and Work Scheduling and Timekeeping replacement (\$174,000);
- identifies a funding method to recover revenue to Seattle IT's fund balance. In 2017, Seattle IT used \$1,200,000 of departmental fund balance to pay for the Seattle Municipal Tower remodel project in its CIP. The department will recover this revenue over five years through IT rates. This adjustment provides the first year of revenue recovery and does not require additional budget appropriation;
- reduces the budget authority and corresponding revenue recovered through IT rates for debt service on bonds issued for the Next Generation Data Center and Municipal Court Information System projects in Seattle IT's CIP. The debt service on these bonds is paid directly by Finance General;
- corrects an error in Seattle IT's FTE count in the 2018 Endorsed Budget by transferring 0.5 FTE authority back to Seattle Public Utilities as authorized in legislation passed with the 2017 Adopted Budget; and
- eliminates 1.0 FTE position erroneously transferred to Seattle IT by the Seattle Department of Human Resources during IT consolidation.

Seattle Information Technology Department

Expenditure Overview

Appropriations	Summit Code	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Summit 8.8 Structure					
Application Services Budget Control Level	D6600	0	36,336,248	36,545,176	0
Business Office Budget Control					
Business Office		4,340,657	6,671,755	6,826,783	0
CTO/Executive Team		0	2,522,364	2,068,635	0
General and Administration		0	6,314,688	6,758,193	0
Programmatic Initiatives		28,237,075	9,205,059	7,697,904	0
Total	D1100	32,577,732	24,713,866	23,351,515	0
Citywide IT Initiatives Budget Control					
Department of Construction and Inspections IT Initiatives		1,901,328	5,279,446	5,333,179	0
Department of Education and Early Learning IT Initiatives		0	261,079	258,033	0
Department of Neighborhoods IT Initiatives		18,815	38,480	38,480	0
Department of Parks and Recreation Information Technology Initiatives		1,095,051	1,286,468	1,292,331	0
Finance and Administrative Services IT Initiatives		4,173,625	1,385,308	1,400,532	0
Human Services Department IT Initiatives		675,221	1,270,187	1,132,054	0
Office for Civil Rights IT Initiatives		83,032	163,875	164,772	0
Office of Arts and Culture IT Initiatives		80,830	153,536	154,294	0
Office of Housing IT Initiatives		84,543	153,990	154,748	0
Office of Planning and Community Development IT Initiatives		27,542	13,000	13,000	0
Seattle Center IT Initiatives		648,298	874,451	733,683	0
Seattle City Light IT Initiatives		13,147,821	22,516,920	24,547,229	0
Seattle Department of Construction and Inspections PIT IT Initiatives		774,443	0	0	0
Seattle Department of Transportation IT Initiatives		2,078,648	8,104,584	8,232,700	0
Seattle Fire Department IT Initiatives		1,956,308	3,458,889	3,472,849	0
Seattle Police Department IT Initiatives		2,559,479	8,514,602	8,547,360	0
Seattle Public Utilities IT Initiatives		10,802,168	43,090,225	30,872,555	0
Total	D9900	40,107,149	96,565,040	86,347,799	0
Digital Engagement Budget Control					
Citywide Web Team		2,461,431	2,902,511	2,939,385	0

Seattle Information Technology Department

Community Technology		1,471,135	1,688,180	1,674,394	0
Office of Cable Communications		776,206	802,875	813,480	0
Open Data		0	1,082,106	1,102,640	0
Seattle Channel		3,415,586	3,347,176	3,383,338	0
Total	D4400	8,124,358	9,822,848	9,913,237	0

Engineering and Operations Budget Control

Customer Support Services		2,428,772	11,971,890	12,029,826	0
Data Network Services		3,844,031	0	0	0
Engineering		0	1,899,330	1,953,468	0
Enterprise Computing		15,078,841	22,062,387	21,930,812	0
Messaging, Collaboration and Directory Services		3,033,726	0	0	0
Radio Communications		1,877,808	3,996,722	7,511,567	0
Radio Network		757,062	0	0	0
Service Desk		1,856,187	0	0	0
Supply Room		924,034	5,478,690	5,506,715	0
Technology Engineering and Project Management		2,771,257	4,750,834	4,877,739	0
Telecommunications		9,316,855	15,696,540	15,507,188	0
Total	D3300	41,888,574	65,856,393	69,317,315	0

Security, Privacy, and Compliance Budget Control

Compliance		0	1,215,683	1,229,862	0
Privacy		0	516,229	527,733	0
Security		0	3,343,835	3,386,086	0
Total	D5500	0	5,075,747	5,143,681	0

Strategy and Planning Budget Control

Citywide PMO		0	1,385,916	1,412,571	0
Enterprise Architecture		0	168,143	169,003	0
Information Security Office		1,936,679	0	0	0
IT Governance		4,232,927	515,548	528,766	0
Portfolio		0	344,941	354,444	0
Project Resources		0	3,942,440	3,964,716	0
Service Management Office		0	735,644	754,263	0
Total	D2200	6,169,606	7,092,632	7,183,763	0

Summit 9.2 Structure

Applications Services Budget Control

Applications		0	0	0	29,228,922
Applications Maintenance		0	0	0	62,509
Cross Platform Services		0	0	0	8,152,285
Divisional Indirect - Applications Services		0	0	0	-16,381

Seattle Information Technology Department

Shared Platforms		0	0	0	14,589,547
Total	50410- D6000	0	0	0	52,016,882
Capital Improvement Projects Budget Control					
Application Services CIP		0	0	0	20,541,890
Citywide IT Initiatives CIP		0	0	0	1,747,324
Customer Support Services CIP		0	0	0	368,404
Enterprise Computing Services CIP		0	0	0	940,489
Programmatic Initiatives CIP		0	0	0	1,552,641
Radio Communications CIP		0	0	0	4,649,500
Seattle Channel CIP		0	0	0	381,135
Security CIP		0	0	0	746,773
Technology Engineering & Project Management CIP		0	0	0	4,013,252
Telecommunications CIP		0	0	0	1,955,297
Total	50410- C7000	0	0	0	36,896,705
Client Services Management Budget Control Level	50410- D8000	0	0	0	4,273,993
Digital Engagement Budget Control					
Broadband & Community Technology		0	0	0	1,815,195
Cable Communications		0	0	0	713,079
Citywide Web Services		0	0	0	3,966,122
Open Data		0	0	0	1,072,288
Privacy		0	0	0	748,286
Seattle Channel		0	0	0	3,016,461
Total	50410- D4000	0	0	0	11,331,431
Engineering & Operations Budget Control					
Customer Support Services		0	0	0	20,700,170
Divisional Indirect - Engineering & Operations		0	0	0	119,303
Engineering and Operations Maintenance		0	0	0	730,031
Enterprise Computing		0	0	0	17,018,979
Network and Communications Technology		0	0	0	18,544,451
Operations Support		0	0	0	5,902,514
Total	50410- D3000	0	0	0	63,015,448
IT Initiatives Budget Control					
Budget for Billed Services		0	0	0	12,825,374

Seattle Information Technology Department

Citywide IT Initiatives		0	0	0	500,000
Department Operational Projects		0	0	0	38,507,692
Project Services		0	0	0	6,235,264
Total	50410- D9000	0	0	0	58,068,330
Leadership & Administration Budget Control					
Business Office		0	0	0	10,379,150
Citywide Indirect Costs		0	0	0	3,932,331
CTO / Executive Team		0	0	0	2,867,364
Pooled Benefits and PTO		0	0	0	0
Strategy & Planning		0	0	0	3,083,644
Total	50410- D1000	0	0	0	20,262,489
Security, Risk & Compliance Budget Control Level	50410- D5000	0	0	0	4,079,530
Department Total		128,867,419	245,462,774	237,802,486	249,944,808
Department Full-time Equivalents Total*		205.00	659.60	661.60	667.60

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

Seattle Information Technology Department

Revenue Overview

2018 Estimated Revenues

Summit Code	Source	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
542810	Cable Fund Allocation	9,407,077	9,713,467	9,399,960	9,559,960
	Total Cable Fund	9,407,077	9,713,467	9,399,960	9,559,960
541490	Technology Allocation (GF Depts)	18,419,123	47,591,441	50,757,857	47,064,943
541710	Rates (GF Depts)	139,586	0	0	0
541810	Rates (GF Depts)	7,751,780	212,646	217,569	217,569
541810	Rates (GF Depts) - Citywide	11,412,804	433,908	134,458	161,818
	Department Specific Initiatives				
542810	Rates (GF Depts)	3,334,645	3,123,083	3,152,584	3,152,584
542810	Special Project Billings (GF Depts)	999,577	0	0	0
	Total City Agency - GF	42,057,515	51,361,078	54,262,468	50,596,914
541490	Technology Allocation	24,919,268	102,004,986	98,427,039	96,671,202
541710	Rates	76,126	0	0	0
541810	Rates	1,274,671	2,095,428	1,402,362	2,503,842
541810	Rates - Citywide Department Specific Initiatives	28,743,663	41,023,220	30,362,743	33,498,372
542810	Rates	1,647,516	1,257,214	1,262,933	1,262,933
542810	Special Project Billings	286,521	0	0	0
	Total City Agency - Non-GF	56,947,765	146,380,848	131,455,077	133,936,349
441710	Rates	433	0	0	0
442810	Rates	607,133	361,175	363,869	363,869
442810	Special Project Billings	639,279	0	0	0
485400	Other Miscellaneous Revenues	-987,353	0	0	0
	Total External Revenues	259,492	361,175	363,869	363,869
461110	Interest Earnings	307,525	0	0	278,994
	Total Finance-External	307,525	0	0	278,994
587001	Technology Allocation (pure GF)	9,103,446	19,002,200	18,772,186	21,517,541
	Total General Subfund Support	9,103,446	19,002,200	18,772,186	21,517,541
569990	Long-Term General Obligation (LTGO) Bonds - App Dev SPD	0	1,094,249	0	1,094,249
569990	Long-Term General Obligation (LTGO) Bonds - MCIS	0	2,518,625	6,600,400	5,349,000
569990	Long-Term General Obligation (LTGO) Bonds - SMT Remodel - IT	0	4,800,000	0	0
569990	Long-Term General Obligation (LTGO) Bonds - SRI Side Systems	0	0	0	727,000
	Total LTGO Bonds	0	8,412,874	6,600,400	7,170,249
542810	Special Project Billings	0	12,877,736	19,327,295	23,348,448
	Total Special Project Billings	0	12,877,736	19,327,295	23,348,448

Seattle Information Technology Department

Total Revenues		118,082,820	248,109,378	240,181,255	246,772,324
379100	Use of (Contributions to) Fund Balance	10,784,599	-2,646,604	-2,378,769	3,172,484
Total Use of (Contributions to) Fund Balance		10,784,599	-2,646,604	-2,378,769	3,172,484
Total Resources		128,867,419	245,462,774	237,802,486	249,944,808

Seattle Information Technology Department

Summit 8.8 Structure

Appropriations By Budget Control Level (BCL) and Program

Application Services Budget Control Level

The purpose of the Application Services Budget Control Level is to design, develop, integrate, implement, and support application solutions in accordance with citywide architecture and governance.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Application Services	0	36,336,248	36,545,176	0
Total	0	36,336,248	36,545,176	0
Full-time Equivalents Total*	0.00	66.50	68.50	0.00

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

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

Application Services Program

Designs, develops, integrates, implements and supports application solutions in accordance with Citywide architecture and governance.

Expenditures/FTE	2016	2017	2018	2018
	Actuals	Adopted	Endorsed	Proposed
Application Services	0	36,336,248	36,545,176	0
Full-time Equivalents Total	0.00	66.50	68.50	0.00

Business Office Budget Control Level

The purpose of the Business Office Budget Control Level is to provide human resources, contracting, finance, budget, and accounting services (planning, control, analysis, and consulting) to the Department, and to manage funding associated with Citywide initiatives.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Business Office	4,340,657	6,671,755	6,826,783	0
CTO/Executive Team	0	2,522,364	2,068,635	0
General and Administration	0	6,314,688	6,758,193	0
Programmatic Initiatives	28,237,075	9,205,059	7,697,904	0
Total	32,577,732	24,713,866	23,351,515	0
Full-time Equivalents Total*	24.00	51.50	51.50	0.00

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

Seattle Information Technology Department

The following information summarizes the programs in Business Office Budget Control Level:

Business Office Program

To provide human resources, contracting, finance, accounting, grants management and budget (planning, control, analysis and consulting) services to the other information technology divisions.

	2016	2017	2018	2018
Expenditures/FTE	Actuals	Adopted	Endorsed	Proposed
Business Office	4,340,657	6,671,755	6,826,783	0
Full-time Equivalents Total	23.00	42.50	42.50	0.00

CTO/Executive Team Program

To manage funding associated with the Chief Technology Officer (CTO) and the Seattle IT Executive Team. The CTO sets technology standards and strategies to ensure the City's technology investments are used efficiently and effectively.

	2016	2017	2018	2018
Expenditures/FTE	Actuals	Adopted	Endorsed	Proposed
CTO/Executive Team	0	2,522,364	2,068,635	0
Full-time Equivalents Total	0.00	8.00	8.00	0.00

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.

	2016	2017	2018	2018
Expenditures	Actuals	Adopted	Endorsed	Proposed
General and Administration	0	6,314,688	6,758,193	0

Programmatic Initiatives Program

To manage funding associated with programmatic IT initiatives.

	2016	2017	2018	2018
Expenditures/FTE	Actuals	Adopted	Endorsed	Proposed
Programmatic Initiatives	28,237,075	9,205,059	7,697,904	0
Full-time Equivalents Total	1.00	1.00	1.00	0.00

Seattle Information Technology Department

Citywide IT Initiatives Budget Control Level

The purpose of the City Department IT Initiatives Budget Control Level is to provide support for IT initiatives within departments.

Program Expenditures	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Department of Construction and Inspections IT Initiatives	1,901,328	5,279,446	5,333,179	0
Department of Education and Early Learning IT Initiatives	0	261,079	258,033	0
Department of Neighborhoods IT Initiatives	18,815	38,480	38,480	0
Department of Parks and Recreation Information Technology Initiatives	1,095,051	1,286,468	1,292,331	0
Finance and Administrative Services IT Initiatives	4,173,625	1,385,308	1,400,532	0
Human Services Department IT Initiatives	675,221	1,270,187	1,132,054	0
Office for Civil Rights IT Initiatives	83,032	163,875	164,772	0
Office of Arts and Culture IT Initiatives	80,830	153,536	154,294	0
Office of Housing IT Initiatives	84,543	153,990	154,748	0
Office of Planning and Community Development IT Initiatives	27,542	13,000	13,000	0
Seattle Center IT Initiatives	648,298	874,451	733,683	0
Seattle City Light IT Initiatives	13,147,821	22,516,920	24,547,229	0
Seattle Department of Construction and Inspections PIT IT Initiatives	774,443	0	0	0
Seattle Department of Transportation IT Initiatives	2,078,648	8,104,584	8,232,700	0
Seattle Fire Department IT Initiatives	1,956,308	3,458,889	3,472,849	0
Seattle Police Department IT Initiatives	2,559,479	8,514,602	8,547,360	0
Seattle Public Utilities IT Initiatives	10,802,168	43,090,225	30,872,555	0
Total	40,107,149	96,565,040	86,347,799	0
Full-time Equivalents Total*	0.00	250.10	250.10	0.00

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

Seattle Information Technology Department

The following information summarizes the programs in Citywide IT Initiatives Budget Control Level:

Department of Construction and Inspections IT Initiatives Program

The purpose of the Department of Construction and Inspections IT Initiatives Program is to provide support for IT initiatives within the Department of Construction and Inspections.

Expenditures/FTE	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Department of Construction and Inspections IT Initiatives	1,901,328	5,279,446	5,333,179	0
Full-time Equivalents Total	0.00	21.00	21.00	0.00

Department of Education and Early Learning IT Initiatives Program

The purpose of the Department of Education and Early Learning IT Initiatives Program is to provide support for IT initiatives within the Department of Education and Early Learning.

Expenditures/FTE	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Department of Education and Early Learning IT Initiatives	0	261,079	258,033	0
Full-time Equivalents Total	0.00	1.00	1.00	0.00

Department of Neighborhoods IT Initiatives Program

The purpose of the Department of Neighborhoods IT Initiatives Program is to provide support for IT initiatives within the Department of Neighborhoods.

Expenditures	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Department of Neighborhoods IT Initiatives	18,815	38,480	38,480	0

Department of Parks and Recreation Information Technology Initiatives Program

The purpose of the Department of Parks and Recreation IT Initiatives Program is to support IT initiatives within the Department of Parks and Recreation.

Expenditures/FTE	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Department of Parks and Recreation Information Technology Initiatives	1,095,051	1,286,468	1,292,331	0
Full-time Equivalents Total	0.00	7.00	7.00	0.00

Finance and Administrative Services IT Initiatives Program

The purpose of the Finance and Administrative Services IT Initiatives Program is to support IT initiatives within the Finance and Administrative Services Department.

Expenditures/FTE	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Finance and Administrative Services IT Initiatives	4,173,625	1,385,308	1,400,532	0
Full-time Equivalents Total	0.00	5.00	5.00	0.00

Seattle Information Technology Department

Human Services Department IT Initiatives Program

The purpose of the Human Services Department IT Initiatives Program is to support IT initiatives within the Human Services Department.

	2016	2017	2018	2018
Expenditures/FTE	Actuals	Adopted	Endorsed	Proposed
Human Services Department IT Initiatives	675,221	1,270,187	1,132,054	0
Full-time Equivalents Total	0.00	7.10	7.10	0.00

Office for Civil Rights IT Initiatives Program

The purpose of the Office for Civil Rights IT Initiatives Program is to provide support for IT initiatives within the Office for Civil Rights.

	2016	2017	2018	2018
Expenditures/FTE	Actuals	Adopted	Endorsed	Proposed
Office for Civil Rights IT Initiatives	83,032	163,875	164,772	0
Full-time Equivalents Total	0.00	0.50	0.50	0.00

Office of Arts and Culture IT Initiatives Program

The purpose of the Office of Arts and Culture IT Initiatives Program is to provide support to IT initiatives within the Office of Arts and Culture.

	2016	2017	2018	2018
Expenditures/FTE	Actuals	Adopted	Endorsed	Proposed
Office of Arts and Culture IT Initiatives	80,830	153,536	154,294	0
Full-time Equivalents Total	0.00	1.00	1.00	0.00

Office of Housing IT Initiatives Program

The purpose of the Office of Housing IT Initiatives Program is to provide support for IT initiatives within the Office of Housing.

	2016	2017	2018	2018
Expenditures/FTE	Actuals	Adopted	Endorsed	Proposed
Office of Housing IT Initiatives	84,543	153,990	154,748	0
Full-time Equivalents Total	0.00	1.00	1.00	0.00

Office of Planning and Community Development IT Initiatives Program

The purpose of the Office of Planning and Community Development IT Initiatives Program is to provide support for IT initiatives within the Office of Planning and Community Development.

	2016	2017	2018	2018
Expenditures	Actuals	Adopted	Endorsed	Proposed
Office of Planning and Community Development IT Initiatives	27,542	13,000	13,000	0

Seattle Information Technology Department

Seattle Center IT Initiatives Program

The purpose of the Seattle Center IT Initiatives Program is to support IT initiatives within the Seattle Center.

	2016	2017	2018	2018
Expenditures/FTE	Actuals	Adopted	Endorsed	Proposed
Seattle Center IT Initiatives	648,298	874,451	733,683	0
Full-time Equivalents Total	0.00	4.00	4.00	0.00

Seattle City Light IT Initiatives Program

The purpose of the Seattle City Light IT Initiatives Program is to support IT initiatives within Seattle City Light.

	2016	2017	2018	2018
Expenditures/FTE	Actuals	Adopted	Endorsed	Proposed
Seattle City Light IT Initiatives	13,147,821	22,516,920	24,547,229	0
Full-time Equivalents Total	0.00	65.50	65.50	0.00

Seattle Department of Construction and Inspections PIT IT Initiatives Program

The purpose of the Department of Construction and Inspections PIT Initiatives Program is to provide support for IT initiatives within the Department of Construction and Inspections.

	2016	2017	2018	2018
Expenditures	Actuals	Adopted	Endorsed	Proposed
Seattle Department of Construction and Inspections PIT IT Initiatives	774,443	0	0	0

Seattle Department of Transportation IT Initiatives Program

The purpose of the Seattle Department of Transportation IT Initiatives Program is to support IT initiatives within the Seattle Department of Transportation.

	2016	2017	2018	2018
Expenditures/FTE	Actuals	Adopted	Endorsed	Proposed
Seattle Department of Transportation IT Initiatives	2,078,648	8,104,584	8,232,700	0
Full-time Equivalents Total	0.00	23.00	23.00	0.00

Seattle Fire Department IT Initiatives Program

The purpose of the Seattle Fire Department IT Initiatives Program is to support IT initiatives within the Seattle Fire Department.

	2016	2017	2018	2018
Expenditures/FTE	Actuals	Adopted	Endorsed	Proposed
Seattle Fire Department IT Initiatives	1,956,308	3,458,889	3,472,849	0
Full-time Equivalents Total	0.00	17.00	17.00	0.00

Seattle Information Technology Department

Seattle Police Department IT Initiatives Program

The purpose of the Seattle Police Department IT Initiatives Program is to support IT initiatives within the Seattle Police Department.

	2016	2017	2018	2018
Expenditures/FTE	Actuals	Adopted	Endorsed	Proposed
Seattle Police Department IT Initiatives	2,559,479	8,514,602	8,547,360	0
Full-time Equivalent Total	0.00	21.00	21.00	0.00

Seattle Public Utilities IT Initiatives Program

The purpose of the Seattle Public Utilities IT Initiatives Program is to support IT initiatives within the Seattle Public Utilities.

	2016	2017	2018	2018
Expenditures/FTE	Actuals	Adopted	Endorsed	Proposed
Seattle Public Utilities IT Initiatives	10,802,168	43,090,225	30,872,555	0
Full-time Equivalent Total	0.00	76.00	76.00	0.00

Seattle Information Technology Department

Digital Engagement Budget Control Level

The purpose of the Digital Engagement Budget Control Level is to operate the Seattle Channel, Cable Office, Web sites, and related programs.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Citywide Web Team	2,461,431	2,902,511	2,939,385	0
Community Technology	1,471,135	1,688,180	1,674,394	0
Office of Cable Communications	776,206	802,875	813,480	0
Open Data	0	1,082,106	1,102,640	0
Seattle Channel	3,415,586	3,347,176	3,383,338	0
Total	8,124,358	9,822,848	9,913,237	0
Full-time Equivalents Total*	35.00	43.00	43.00	0.00

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

The following information summarizes the programs in Digital Engagement 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.

	2016	2017	2018	2018
Expenditures/FTE	Actuals	Adopted	Endorsed	Proposed
Citywide Web Team	2,461,431	2,902,511	2,939,385	0
Full-time Equivalents Total	12.75	17.00	17.00	0.00

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.

	2016	2017	2018	2018
Expenditures/FTE	Actuals	Adopted	Endorsed	Proposed
Community Technology	1,471,135	1,688,180	1,674,394	0
Full-time Equivalents Total	4.25	5.00	5.00	0.00

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.

	2016	2017	2018	2018
Expenditures/FTE	Actuals	Adopted	Endorsed	Proposed
Office of Cable Communications	776,206	802,875	813,480	0
Full-time Equivalents Total	2.75	2.50	2.50	0.00

Seattle Information Technology Department

Open Data Program

Provides the publication and management of data on the City's open data platform. The open data team works with departments to make additional datasets available in a manner that protects individual privacy and works on further projects to make City performance, budget and other data available to provide transparency and foster innovation.

	2016	2017	2018	2018
Expenditures/FTE	Actuals	Adopted	Endorsed	Proposed
Open Data	0	1,082,106	1,102,640	0
Full-time Equivalents Total	0.00	4.00	4.00	0.00

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.

	2016	2017	2018	2018
Expenditures/FTE	Actuals	Adopted	Endorsed	Proposed
Seattle Channel	3,415,586	3,347,176	3,383,338	0
Full-time Equivalents Total	15.25	14.50	14.50	0.00

Engineering and Operations Budget Control Level

The purpose of the Engineering and Operations Budget Control Level is to build and operate the City's corporate communications and computing assets.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Customer Support Services	2,428,772	11,971,890	12,029,826	0
Data Network Services	3,844,031	0	0	0
Engineering	0	1,899,330	1,953,468	0
Enterprise Computing	15,078,841	22,062,387	21,930,812	0
Messaging, Collaboration and Directory Services	3,033,726	0	0	0
Radio Communications	1,877,808	3,996,722	7,511,567	0
Radio Network	757,062	0	0	0
Service Desk	1,856,187	0	0	0
Supply Room	924,034	5,478,690	5,506,715	0
Technology Engineering and Project Management	2,771,257	4,750,834	4,877,739	0
Telecommunications	9,316,855	15,696,540	15,507,188	0
Total	41,888,574	65,856,393	69,317,315	0
Full-time Equivalents Total*	122.50	191.00	191.00	0.00

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

Seattle Information Technology Department

The following information summarizes the programs in Engineering and Operations Budget Control Level:

Customer Support Services Program

To provide, operate and maintain personal computer services for City employees.

Expenditures/FTE	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Customer Support Services	2,428,772	11,971,890	12,029,826	0
Full-time Equivalents Total	15.25	74.00	74.00	0.00

Data Network Services Program

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 residents may electronically communicate with City staff and access City services.

Expenditures/FTE	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Data Network Services	3,844,031	0	0	0
Full-time Equivalents Total	14.95	0.00	0.00	0.00

Engineering Program

Provides technical engineering and project management services for City communications systems and networks, manages large technology infrastructure projects for City departments, and facilitates reliable and cost-effective solutions.

Expenditures/FTE	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Engineering	0	1,899,330	1,953,468	0
Full-time Equivalents Total	0.00	11.00	11.00	0.00

Enterprise Computing 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	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Enterprise Computing	15,078,841	22,062,387	21,930,812	0
Full-time Equivalents Total	23.75	45.50	45.50	0.00

Messaging, Collaboration and Directory Services Program

To provide, operate and maintain an infrastructure for e-mail, calendar, directory and related services to City employees and the general public.

Expenditures/FTE	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Messaging, Collaboration and Directory Services	3,033,726	0	0	0
Full-time Equivalents Total	12.25	0.00	0.00	0.00

Seattle Information Technology Department

Radio Communications Program

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 as well as other mobile and non-mobile electronic equipment.

Expenditures/FTE	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Radio Communications	1,877,808	3,996,722	7,511,567	0
Full-time Equivalents Total	10.50	11.00	11.00	0.00

Radio Network Program

To provide dispatch radio communications and related services to City departments and other regional agencies.

Expenditures/FTE	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Radio Network	757,062	0	0	0
Full-time Equivalents Total	0.85	0.00	0.00	0.00

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	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Service Desk	1,856,187	0	0	0
Full-time Equivalents Total	9.25	0.00	0.00	0.00

Supply Room Program

To acquire, store and distribute telephone and data communications components to the department so equipment is available when requested.

Expenditures/FTE	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Supply Room	924,034	5,478,690	5,506,715	0
Full-time Equivalents Total	3.00	7.00	7.00	0.00

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	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Technology Engineering and Project Management	2,771,257	4,750,834	4,877,739	0
Full-time Equivalents Total	8.00	2.00	2.00	0.00

Seattle Information Technology Department

Telecommunications Program

To provide, operate and maintain a telecommunications infrastructure and to provide related services to City employees.

	2016	2017	2018	2018
Expenditures/FTE	Actuals	Adopted	Endorsed	Proposed
Telecommunications	9,316,855	15,696,540	15,507,188	0
Full-time Equivalents Total	24.70	40.50	40.50	0.00

Seattle Information Technology Department

Security, Privacy, and Compliance Budget Control Level

The purpose of the Security, Privacy, and Compliance Budget Control Level is to develop and implement policies and enforcement measures that further the goal of a secure and compliant computing environment.

Program Expenditures	2016	2017	2018	2018
	Actuals	Adopted	Endorsed	Proposed
Compliance	0	1,215,683	1,229,862	0
Privacy	0	516,229	527,733	0
Security	0	3,343,835	3,386,086	0
Total	0	5,075,747	5,143,681	0
Full-time Equivalents Total*	0.00	17.50	17.50	0.00

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

The following information summarizes the programs in Security, Privacy, and Compliance Budget Control Level:

Compliance Program

Develops, tracks and reports on operating controls that show the City's level of compliance with regulatory, legal and policy standards.

Expenditures/FTE	2016	2017	2018	2018
	Actuals	Adopted	Endorsed	Proposed
Compliance	0	1,215,683	1,229,862	0
Full-time Equivalents Total	0.00	3.00	3.00	0.00

Privacy Program

To develop and implement Citywide standards and policies in support of obligations and legal commitments to protect the personal and sensitive information collected from the public.

Expenditures/FTE	2016	2017	2018	2018
	Actuals	Adopted	Endorsed	Proposed
Privacy	0	516,229	527,733	0
Full-time Equivalents Total	0.00	2.50	2.50	0.00

Security Program

Provides information security services and digital investigation forensics.

Expenditures/FTE	2016	2017	2018	2018
	Actuals	Adopted	Endorsed	Proposed
Security	0	3,343,835	3,386,086	0
Full-time Equivalents Total	0.00	12.00	12.00	0.00

Seattle Information Technology Department

Strategy and Planning Budget Control Level

The purpose of the Strategy and Planning Budget Control Level is to provide strategic direction and coordination on technology for the City, including the development of a multi-year strategic plan for information technology, development of common standards and architectures, and IT project management and monitoring.

Program Expenditures	2016	2017	2018	2018
	Actuals	Adopted	Endorsed	Proposed
Citywide PMO	0	1,385,916	1,412,571	0
Enterprise Architecture	0	168,143	169,003	0
Information Security Office	1,936,679	0	0	0
IT Governance	4,232,927	515,548	528,766	0
Portfolio	0	344,941	354,444	0
Project Resources	0	3,942,440	3,964,716	0
Service Management Office	0	735,644	754,263	0
Total	6,169,606	7,092,632	7,183,763	0
Full-time Equivalents Total*	23.50	40.00	40.00	0.00

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

Seattle Information Technology Department

The following information summarizes the programs in Strategy and Planning Budget Control Level:

Citywide PMO Program

The Project Management Office (PMO) is accountable for promoting the discipline of planning, organizing, securing and managing resources to achieve specific goals through a standard project management methodology and process for customers served by Seattle IT. The PMO also provides business analysis services including requirements elicitation, business process documentation and reengineering.

Expenditures/FTE	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Citywide PMO	0	1,385,916	1,412,571	0
Full-time Equivalents Total	0.00	7.00	7.00	0.00

Enterprise Architecture Program

Enterprise Architecture is responsible for designing architecture for the organization on an enterprise level; defines system and application architecture; and provides vision, problem anticipation and problem-solving ability to the organization. The enterprise architecture team is accountable for defining, maintaining and managing frameworks and standards for service management and service management processes.

Expenditures/FTE	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Enterprise Architecture	0	168,143	169,003	0
Full-time Equivalents Total	0.00	1.00	1.00	0.00

Information Security Office Program

To manage the information security program for the City including the creation and enforcement of policy; threat and vulnerability management, monitoring, and response; and regulatory compliance.

Expenditures/FTE	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Information Security Office	1,936,679	0	0	0
Full-time Equivalents Total	4.00	0.00	0.00	0.00

IT Governance Program

This program establishes strategic directions; identifies key technology drivers; supports effective project management and quality assurance; and provides information, research and analysis to departments' business and technology managers.

Expenditures/FTE	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
IT Governance	4,232,927	515,548	528,766	0
Full-time Equivalents Total	19.50	2.00	2.00	0.00

Seattle Information Technology Department

Portfolio Program

Manages and facilitates intake of projects, oversees project execution and reports to City stakeholders.

	2016	2017	2018	2018
Expenditures/FTE	Actuals	Adopted	Endorsed	Proposed
Portfolio	0	344,941	354,444	0
Full-time Equivalents Total	0.00	2.00	2.00	0.00

Project Resources Program

Manages and provides staffing of IT projects for department stakeholders.

	2016	2017	2018	2018
Expenditures/FTE	Actuals	Adopted	Endorsed	Proposed
Project Resources	0	3,942,440	3,964,716	0
Full-time Equivalents Total	0.00	24.00	24.00	0.00

Service Management Office Program

The Service Management Organization is accountable for defining, maintaining, and managing frameworks and standards for service management and service management processes.

	2016	2017	2018	2018
Expenditures/FTE	Actuals	Adopted	Endorsed	Proposed
Service Management Office	0	735,644	754,263	0
Full-time Equivalents Total	0.00	4.00	4.00	0.00

Seattle Information Technology Department

Summit 9.2 Structure

Appropriations By Budget Control Level (BCL) and Program

Applications Services Budget Control Level

The Application Services Budget Control Level designs, develops, and supports application solutions in accordance with Citywide architecture and governance.

Program Expenditures	2016	2017	2018	2018
	Actuals	Adopted	Endorsed	Proposed
Applications	0	0	0	29,228,922
Applications Maintenance	0	0	0	62,509
Cross Platform Services	0	0	0	8,152,285
Divisional Indirect - Applications Services	0	0	0	-16,381
Shared Platforms	0	0	0	14,589,547
Total	0	0	0	52,016,882
Full-time Equivalents Total*	0.00	0.00	0.00	223.60

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

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

Applications Program

This budget program contains the funding associated with the Applications team which designs, develops, integrates and supports solutions in accordance with Citywide architecture and governance.

Expenditures/FTE	2016	2017	2018	2018
	Actuals	Adopted	Endorsed	Proposed
Applications	0	0	0	29,228,922
Full-time Equivalents Total	0.00	0.00	0.00	94.40

Applications Maintenance Program

This budget program contains the funding associated with annual maintenance tied to specific departmental applications and managed by Seattle IT.

Expenditures	2016	2017	2018	2018
	Actuals	Adopted	Endorsed	Proposed
Applications Maintenance	0	0	0	62,509

Seattle Information Technology Department

Cross Platform Services Program

This budget program contains the funding associated with Seattle IT functions that serve multiple application platforms, including database administration and quality assurance.

Expenditures/FTE	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Cross Platform Services	0	0	0	8,152,285
Full-time Equivalents Total	0.00	0.00	0.00	51.00

Divisional Indirect - Applications Services Program

This budget program contains the funding associated with the managerial and administrative costs of overseeing and managing the Applications Division.

Expenditures/FTE	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Divisional Indirect - Applications Services	0	0	0	-16,381
Full-time Equivalents Total	0.00	0.00	0.00	3.00

Shared Platforms Program

This budget program contains the funding associated with the Shared Platforms team which develops, maintains and provides user support for technology platforms shared across City departments, including, GIS, Sharepoint and Business Intelligence platforms.

Expenditures/FTE	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Shared Platforms	0	0	0	14,589,547
Full-time Equivalents Total	0.00	0.00	0.00	75.20

Seattle Information Technology Department

Capital Improvement Projects Budget Control Level

The Capital Improvement Projects Budget Control Level provides support for citywide or department-specific IT projects and initiatives within Seattle IT's Capital Improvement Program (CIP).

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Application Services CIP	0	0	0	20,541,890
Citywide IT Initiatives CIP	0	0	0	1,747,324
Customer Support Services CIP	0	0	0	368,404
Enterprise Computing Services CIP	0	0	0	940,489
Programmatic Initiatives CIP	0	0	0	1,552,641
Radio Communications CIP	0	0	0	4,649,500
Seattle Channel CIP	0	0	0	381,135
Security CIP	0	0	0	746,773
Technology Engineering & Project Management CIP	0	0	0	4,013,252
Telecommunications CIP	0	0	0	1,955,297
Total	0	0	0	36,896,705

Seattle Information Technology Department

The following information summarizes the programs in Capital Improvement Projects Budget Control Level:

Application Services CIP Program

This budget program contains the Capital Improvement Program (CIP) funding associated with developing, implementing and enhancing various software applications used by City departments.

Expenditures	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Application Services CIP	0	0	0	20,541,890

Citywide IT Initiatives CIP Program

This budget program contains the Capital Improvement Program (CIP) funding associated with the procurement and implementation of the Seattle Police Department's body-worn camera program.

Expenditures	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Citywide IT Initiatives CIP	0	0	0	1,747,324

Customer Support Services CIP Program

This budget program contains the Capital Improvement Program (CIP) funding associated with the acquiring, replacing and upgrading of software and hardware in the computing and customer support environments.

Expenditures	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Customer Support Services CIP	0	0	0	368,404

Enterprise Computing Services CIP Program

This budget program contains the Capital Improvement Program (CIP) funding associated with the ongoing acquisition, replacement, and upgrading of server and storage systems.

Expenditures	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Enterprise Computing Services CIP	0	0	0	940,489

Seattle Information Technology Department

Programmatic Initiatives CIP Program

This budget program contains the Capital Improvement Program (CIP) funding one-time Seattle IT Programmatic Initiatives including the acquisition and development of a new data center environment, the remodeling of Seattle IT space in Seattle Municipal Tower, and acquisition of new technology management tools.

Expenditures	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Programmatic Initiatives CIP	0	0	0	1,552,641

Radio Communications CIP Program

This budget program contains the Capital Improvement Program (CIP) funding associated with the ongoing acquisition, replacement and upgrading of software and hardware for the City of Seattle's portion of the King County Regional 800MHz radio system.

Expenditures	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Radio Communications CIP	0	0	0	4,649,500

Seattle Channel CIP Program

This budget program contains the Capital Improvement Program (CIP) funding associated with the ongoing acquisition, replacement and upgrading of the cablecasting and production systems for the Seattle Channel.

Expenditures	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Seattle Channel CIP	0	0	0	381,135

Security CIP Program

This budget program contains the Capital Improvement Program (CIP) funding associated with the ongoing acquisition, replacement and upgrading of software and hardware for the City's IT security systems.

Expenditures	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Security CIP	0	0	0	746,773

Seattle Information Technology Department

Technology Engineering & Project Management CIP Program

This budget program contains the Capital Improvement Program (CIP) funding associated with major maintenance and installation of a high-speed fiber-optic communication network for the City and its external fiber partners.

Expenditures	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Technology Engineering & Project Management CIP	0	0	0	4,013,252

Telecommunications CIP Program

This budget program contains the Capital Improvement Program (CIP) funding associated with ongoing acquisition, replacement and upgrading of software and major hardware for the City's data and telephone switching systems.

Expenditures	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Telecommunications CIP	0	0	0	1,955,297

Seattle Information Technology Department

Client Services Management Budget Control Level

The Client Services Management Budget Control Level provides account management and support for Seattle IT customers.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Client Services Management	0	0	0	4,273,993
Total	0	0	0	4,273,993
Full-time Equivalents Total*	0.00	0.00	0.00	25.00

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

Digital Engagement Budget Control Level

The Digital Engagement Budget Control Level provides technology to connect the public to the City and promotes digital equity across Seattle. The Digital Engagement Budget Control Level provides Citywide web services and the City's Open Data portal, oversees cable television franchises, produces the Seattle Channel, and manages the City's data privacy program.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Broadband & Community Technology	0	0	0	1,815,195
Cable Communications	0	0	0	713,079
Citywide Web Services	0	0	0	3,966,122
Open Data	0	0	0	1,072,288
Privacy	0	0	0	748,286
Seattle Channel	0	0	0	3,016,461
Total	0	0	0	11,331,431
Full-time Equivalents Total*	0.00	0.00	0.00	54.00

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

Seattle Information Technology Department

The following information summarizes the programs in Digital Engagement Budget Control Level:

Broadband & Community Technology Program

This budget program contains the funding associated with the Community Technology Services team and the Technology Matching Fund. Community Technology ensures that residents have the information technology training and access needed to ensure civic and cultural participation, employment and lifelong learning. The Technology Matching Fund provides grants to community-based organizations for projects centered on improving digital equity.

Expenditures/FTE	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Broadband & Community Technology	0	0	0	1,815,195
Full-time Equivalents Total	0.00	0.00	0.00	6.00

Cable Communications Program

This budget program contains the funding associated with the Office of Cable Communications. The Office is responsible for negotiating cable franchise agreements, transfers, and renewals; as well as ensuring the City's cable operators comply with all franchise terms, the Seattle Municipal Code, and state and federal law.

Expenditures/FTE	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Cable Communications	0	0	0	713,079
Full-time Equivalents Total	0.00	0.00	0.00	2.50

Citywide Web Services Program

This budget program contains the funding associated with the Citywide Web Services team. This team provides leadership in using Web technology and develops the City's Web presence so that residents, businesses, visitors and employees have 24-hour access to relevant information and services.

Expenditures/FTE	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Citywide Web Services	0	0	0	3,966,122
Full-time Equivalents Total	0.00	0.00	0.00	24.00

Seattle Information Technology Department

Open Data Program

This budget program contains the funding associated with the publication and management of the City's Open Data platform. The Open Data program makes the data generated by the City openly available to improve public understanding of City operations and encourage the development of innovative technology solutions that improve quality of life.

Expenditures/FTE	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Open Data	0	0	0	1,072,288
Full-time Equivalents Total	0.00	0.00	0.00	4.00

Privacy Program

This budget program contains the funding associated with the Privacy Services team. Privacy Services is responsible for developing and implementing Citywide standards and policies designed to protect personal and sensitive information collected from the public.

Expenditures/FTE	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Privacy	0	0	0	748,286
Full-time Equivalents Total	0.00	0.00	0.00	3.00

Seattle Channel Program

This budget program contains the funding associated with managing and operating the Seattle Channel. The Seattle Channel is an award-winning municipal television station with programming that highlights the diverse civic and cultural landscape of Seattle.

Expenditures/FTE	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Seattle Channel	0	0	0	3,016,461
Full-time Equivalents Total	0.00	0.00	0.00	14.50

Seattle Information Technology Department

Engineering & Operations Budget Control Level

The Engineering and Operations Budget Control Level develops, maintains, and manages core IT services including communications and data networks, data center and computer infrastructure, and end-user equipment and support.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Customer Support Services	0	0	0	20,700,170
Divisional Indirect - Engineering & Operations	0	0	0	119,303
Engineering and Operations Maintenance	0	0	0	730,031
Enterprise Computing	0	0	0	17,018,979
Network and Communications Technology	0	0	0	18,544,451
Operations Support	0	0	0	5,902,514
Total	0	0	0	63,015,448
Full-time Equivalents Total*	0.00	0.00	0.00	204.00

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

The following information summarizes the programs in Engineering & Operations Budget Control Level:

Customer Support Services Program

This budget program contains the funding associated with Seattle IT's Customer Support Operations. This team is responsible for providing support for end user software and devices, including planned and unplanned maintenance. The team also provides telephone and in person support.

	2016	2017	2018	2018
Expenditures/FTE	Actuals	Adopted	Endorsed	Proposed
Customer Support Services	0	0	0	20,700,170
Full-time Equivalents Total	0.00	0.00	0.00	74.50

Divisional Indirect - Engineering & Operations Program

This budget program contains the funding associated with the managerial and administrative costs of overseeing and managing the Engineering and Operations Division, including asset management and infrastructure tooling support.

	2016	2017	2018	2018
Expenditures/FTE	Actuals	Adopted	Endorsed	Proposed
Divisional Indirect - Engineering & Operations	0	0	0	119,303
Full-time Equivalents Total	0.00	0.00	0.00	20.00

Seattle Information Technology Department

Engineering and Operations Maintenance Program

This budget program contains the funding associated with Engineering and Operations maintenance support. This support is department specific and is not attached to a single application or type of service.

Expenditures	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Engineering and Operations Maintenance	0	0	0	730,031

Enterprise Computing Program

This budget program contains the funding associated with the core computing services Seattle IT provides its customers, including data backup, recovery, and storage; server development and maintenance; and messaging functionality.

Expenditures/FTE	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Enterprise Computing	0	0	0	17,018,979
Full-time Equivalents Total	0.00	0.00	0.00	49.00

Network and Communications Technology Program

This budget program contains the funding associated with Seattle IT's radio and telecommunications services, including installing, operating, and maintaining radio, voice and network infrastructure for City departments and other regional agencies.

Expenditures/FTE	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Network and Communications Technology	0	0	0	18,544,451
Full-time Equivalents Total	0.00	0.00	0.00	47.50

Operations Support Program

This budget program contains the funding associated with Seattle IT Support Operations, including batch processing support, data center facility management and large-scale printing.

Expenditures/FTE	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Operations Support	0	0	0	5,902,514
Full-time Equivalents Total	0.00	0.00	0.00	13.00

Seattle Information Technology Department

IT Initiatives Budget Control Level

The IT Initiatives Budget Control Level provides support for citywide or department-specific IT projects and initiatives that are outside the scope of Seattle IT's Capital Improvement Program (CIP).

Program Expenditures	2016	2017	2018	2018
	Actuals	Adopted	Endorsed	Proposed
Budget for Billed Services	0	0	0	12,825,374
Citywide IT Initiatives	0	0	0	500,000
Department Operational Projects	0	0	0	38,507,692
Project Services	0	0	0	6,235,264
Total	0	0	0	58,068,330
Full-time Equivalents Total*	0.00	0.00	0.00	75.00

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

The following information summarizes the programs in IT Initiatives Budget Control Level:

Budget for Billed Services Program

This budget program contains the funding associated with Seattle IT services that are billed directly to customers on an hourly basis. These include PMO Services, Application Services and Engineering and Operations Services.

Expenditures/FTE	2016	2017	2018	2018
	Actuals	Adopted	Endorsed	Proposed
Budget for Billed Services	0	0	0	12,825,374
Full-time Equivalents Total	0.00	0.00	0.00	39.50

Citywide IT Initiatives Program

This budget program contains the funding associated with a portfolio of non-capital IT operating initiatives. Each project in this program supports multiple different departments.

Expenditures	2016	2017	2018	2018
	Actuals	Adopted	Endorsed	Proposed
Citywide IT Initiatives	0	0	0	500,000

Seattle Information Technology Department

Department Operational Projects Program

This budget program contains the funding associated with a portfolio of non-capital Seattle IT operating initiatives. The projects in this portfolio are supported by and developed for an individual City department.

Expenditures/FTE	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Department Operational Projects	0	0	0	38,507,692
Full-time Equivalents Total	0.00	0.00	0.00	1.00

Project Services Program

This budget program contains the funding associated with the Project Management Office (PMO) which provides project resources for IT projects.

Expenditures/FTE	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Project Services	0	0	0	6,235,264
Full-time Equivalents Total	0.00	0.00	0.00	34.50

Leadership & Administration Budget Control Level

The Leadership and Administration Budget Control Level provides executive management, strategic planning, governance, finance, budget, accounting, human resources, performance management, administrative, contracting, and project oversight services.

Program Expenditures	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Business Office	0	0	0	10,379,150
Citywide Indirect Costs	0	0	0	3,932,331
CTO / Executive Team	0	0	0	2,867,364
Pooled Benefits and PTO	0	0	0	0
Strategy & Planning	0	0	0	3,083,644
Total	0	0	0	20,262,489
Full-time Equivalents Total*	0.00	0.00	0.00	71.00

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

Seattle Information Technology Department

The following information summarizes the programs in Leadership & Administration Budget Control Level:

Business Office Program

This budget program contains the funding associated with the core finance and administrative functions of Seattle IT, including human resources, accounting, budget, finance, communications, performance management, contracting and purchasing services in support of Seattle IT.

Expenditures/FTE	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Business Office	0	0	0	10,379,150
Full-time Equivalents Total	0.00	0.00	0.00	45.00

Citywide Indirect Costs Program

This budget program contains the funding associated with the various overhead costs charged to Seattle IT, including budget and expenses that have been allocated from other City departments.

Expenditures	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Citywide Indirect Costs	0	0	0	3,932,331

CTO / Executive Team Program

This budget program contains the funding associated with the Chief Technology Officer (CTO) and the Seattle IT Executive Team. The CTO sets technology standards and strategies to ensure the City's technology investments are used efficiently and effectively.

Expenditures/FTE	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
CTO / Executive Team	0	0	0	2,867,364
Full-time Equivalents Total	0.00	0.00	0.00	10.00

Pooled Benefits and PTO Program

This budget program contains the funding associated with employee leave, time off, and benefit-related costs for Workers' Compensation, healthcare and other centrally distributed benefit costs.

Expenditures	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Pooled Benefits and PTO	0	0	0	0

Seattle Information Technology Department

Strategy & Planning Program

This budget program contains the funding associated with the City's IT enterprise planning efforts, including establishing strategic directions and policies, enterprise-level architecture design, and defining and managing service management frameworks.

Expenditures/FTE	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Strategy & Planning	0	0	0	3,083,644
Full-time Equivalents Total	0.00	0.00	0.00	16.00

Security, Risk & Compliance Budget Control Level

The Security, Risk, and Compliance Budget Control Level provides security and risk mitigation services for the City's computing environments and develops, applies and monitors compliance with technology policies and procedures.

Program Expenditures	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Security, Risk & Compliance	0	0	0	4,079,530
Total	0	0	0	4,079,530
Full-time Equivalents Total*	0.00	0.00	0.00	15.00

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

Seattle Information Technology Department

Seattle IT Fund Table

Information Technology Fund (50410)

	2016 Actuals	2017 Adopted	2017 Revised	2018 Endorsed	2018 Proposed
Beginning Fund Balance	30,407,191	14,333,792	32,930,715	16,980,396	13,448,150
Accounting and Technical Adjustments	13,308,123	0	0	0	0
Plus: Actual and Estimated Revenues	118,082,820	248,109,378	256,116,858	240,181,255	246,772,324
Less: Actual and Budgeted Expenditures	128,867,419	245,462,774	275,599,423	237,802,486	249,944,808
Ending Fund Balance	32,930,715	16,980,396	13,448,150	19,359,165	10,275,666
Ongoing Reserves	30,250,490	11,434,694	12,511,915	9,598,583	9,828,735
Planning Reserve	1,417,327	6,438,980	5,021,653	11,423,900	6,224,229
Total Reserves	31,667,817	17,873,674	17,533,568	21,022,483	16,052,964
Ending Unreserved Fund Balance	1,262,898	-893,278	-4,085,418	-1,663,318	-5,777,298

Capital Improvement Program Highlights

The Seattle Information Technology Department (Seattle IT) provides powerful technology solutions to the City and public it serves. Seattle IT also manages and directs the development of designated projects on behalf of the City, manages other departments' projects, and organizes around priorities and projects with regional partners. Seattle IT's Capital Improvement Program (CIP) supports major maintenance, improvements, replacements, and upgrades to the City's existing technology systems as well as the development and implementation of new capacity and systems.

Please see the Seattle IT CIP for a detailed overview and for information on the 2018-2023 Proposed CIP.

Office of Intergovernmental Relations

Chris Gregorich, Director

(206) 684-0213

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

Department Overview

The Office of Intergovernmental Relations (OIR) provides advice and information to, and on behalf of, City elected officials, City departments, and external partners. The primary goal of these efforts is to ensure the City's interests are advanced with regional, state, federal, tribal, and international entities to enable the City to better serve the Seattle community.

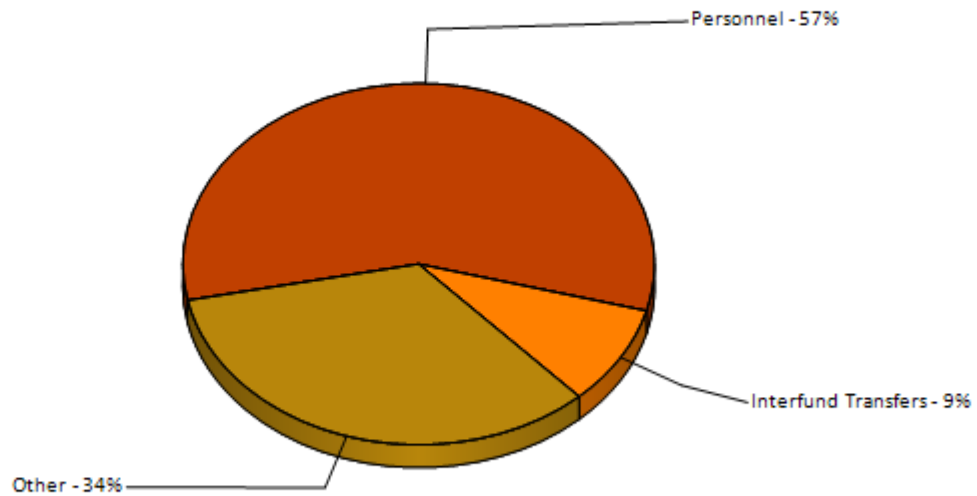
Budget Snapshot

Department Support	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
General Fund Support	\$2,907,416	\$2,853,827	\$2,902,828	\$2,873,154
Total Operations	\$2,907,416	\$2,853,827	\$2,902,828	\$2,873,154
Total Appropriations	\$2,907,416	\$2,853,827	\$2,902,828	\$2,873,154
Full-time Equivalent Total*	10.50	10.50	10.50	10.50

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

Office of Intergovernmental Relations

2018 Proposed Budget - Expenditure by Category



Budget Overview

The Office of Intergovernmental Relations (OIR) is responsible for engaging with other jurisdictions and governmental entities to collaborate and advocate for outcomes that are in the interest of the City and region. OIR implements and manages lobbying contracts and ensures the City's lobbying resources align with the City's strategic advocacy priorities.

OIR was asked to reprioritize General Fund resources for other priorities within the City with a 2% reduction. The 2018 Proposed Budget includes this reduction, made to the department's human services advocacy contracts. An increase of \$20,000 is also made to OIR to cover an increase to dues they pay on behalf of the City.

Office of Intergovernmental Relations

Incremental Budget Changes

Office of Intergovernmental Relations

	2018 Budget	FTE
Total 2018 Endorsed Budget	\$ 2,902,828	10.50
Baseline Changes		
Citywide Adjustments for Standard Cost Changes	\$ 3,268	0.00
Proposed Changes		
Reduction in Advocacy Contracts	-\$ 52,942	0.00
Increase in Dues Paid by the City	\$ 20,000	0.00
Total Incremental Changes	-\$ 29,674	0.00
2018 Proposed Budget	\$ 2,873,154	10.50

Descriptions of Incremental Budget Changes

Baseline Changes

Citywide Adjustments for Standard Cost Changes - \$3,268

Citywide technical adjustments made in the baseline phase reflect changes to internal services costs, health care, and industrial insurance charges for the department. These adjustments reflect initial assumptions about these costs and inflators early in the budget process.

Proposed Changes

Reduction in Advocacy Contracts - (\$52,942)

The Office of Intergovernmental Relations is reducing their overall budget by 2% in order for the City to reprioritize General Fund to other initiatives. This reduction will come out of the funding for human services advocacy contracts. Work related to human services advocacy may be included in existing contracts to better integrate the City's advocacy efforts.

Increase in Dues Paid by the City - \$20,000

As the City's government relations entity, OIR pays dues to organizations, such as the Puget Sound Regional Council (PSRC). When an organization increases the dues required for the City, OIR absorbs the increase until additional budget authority is needed. PSRC made changes to their dues structure, requiring a \$20,000 increase to OIR's budget.

Office of Intergovernmental Relations

Expenditure Overview

Appropriations	Summit Code	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Intergovernmental Relations Budget Control Level	X1G00	2,907,416	2,853,827	2,902,828	2,873,154
Department Total		2,907,416	2,853,827	2,902,828	2,873,154

Department Full-time Equivalents Total*	10.50	10.50	10.50	10.50
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** FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.*

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, tribal, and international interests by providing strategic advice, representation, and advocacy to, and on behalf of, City elected officials on a variety of issues. These include: federal and state executive and legislative actions; issues and events relating to the City's tribal and international relations; and jurisdictional issues involving King County, suburban cities, and regional governmental organizations.

Program Expenditures	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Intergovernmental Relations	2,907,416	2,853,827	2,902,828	2,873,154
Total	2,907,416	2,853,827	2,902,828	2,873,154
Full-time Equivalents Total*	10.50	10.50	10.50	10.50

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

Office of Labor Standards

Dylan Orr, Director

(206) 684-4500

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

Department Overview

The mission of the Office of Labor Standards (OLS) is to advance labor standards through thoughtful community and business engagement, strategic enforcement, and innovative policy development, with a commitment to race and social justice. OLS's main work program focuses on the implementation of labor standards for employees working within Seattle city limits. These standards (established through City ordinances and a City initiative) include the:

- **Paid Sick and Safe Time Ordinance**, requiring employers with more than four full-time equivalent employees to provide paid sick and safe time;
- **Fair Chance Employment Ordinance**, restricting how employers can use conviction and arrest records during the hiring process and course of employment;
- **Minimum Wage Ordinance**, establishing a minimum hourly wage that will rise to \$15/hour over several years;
- **Wage Theft Ordinance**, requiring employers to provide written notice of employment information and pay all compensation due by reason of employment (including wages and tips) on a regular pay day;
- **Secure Scheduling Ordinance**, establishing scheduling requirements for covered retail and food service establishments to provide schedule predictability and increased access to hours; and
- **Hotel Employee Health and Safety Initiative**, establishing protections for the health and safety of hotel employees working in Seattle.

OLS also provides free education and technical assistance to the business and worker communities. As a part of these efforts, OLS manages the **Labor Standards Community Outreach and Education Fund** to foster collaboration between OLS and the community with funds to develop awareness and understanding of the worker rights provided by Seattle's labor standards. The office also manages the **Labor Standards Business Outreach and Education Fund** which provides technical assistance to small businesses in order to increase compliance with Seattle's labor standards. The fund emphasizes outreach to businesses owned by low-income and historically disenfranchised communities who typically are not served by traditional outreach methods.

OLS also provides technical and administrative support for the Labor Standards Advisory Commission, a 15-member commission who advises on matters related to labor standards laws, as well as wages, working conditions, safety, and the health of Seattle workers.

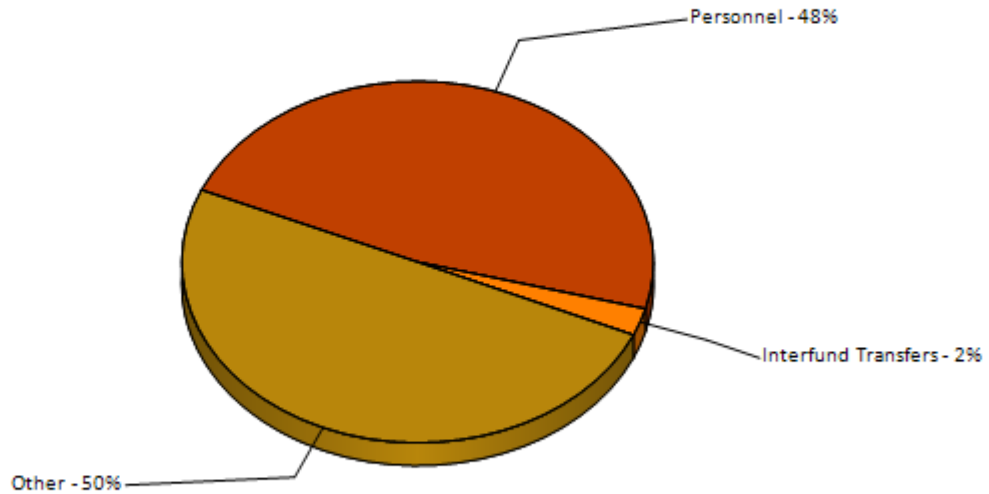
Office of Labor Standards

Budget Snapshot

Department Support	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
General Fund Support	\$2,292,057	\$5,746,889	\$5,698,246	\$0
Other Funding - Operating	\$0	\$0	\$0	\$5,698,216
Total Operations	\$2,292,057	\$5,746,889	\$5,698,246	\$5,698,216
Total Appropriations	\$2,292,057	\$5,746,889	\$5,698,246	\$5,698,216
Full-time Equivalent Total*	9.00	23.00	23.00	23.00

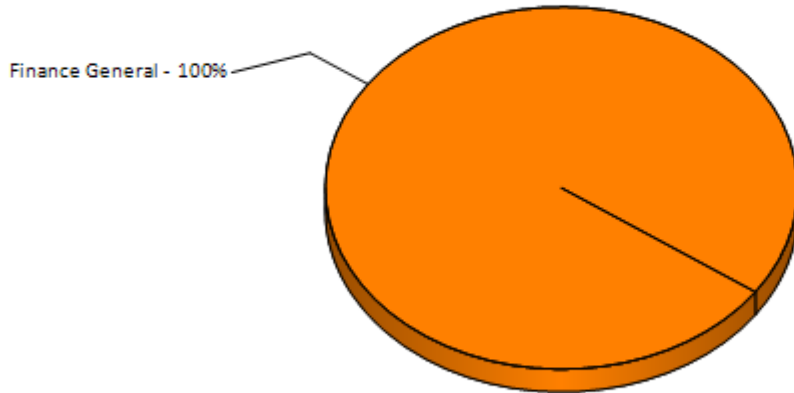
** FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.*

2018 Proposed Budget - Expenditure by Category



Office of Labor Standards

2018 Proposed Budget - Revenue by Category



Budget Overview

In 2015, the Office of Labor Standards (OLS) was introduced as a division of the Office for Civil Rights (OCR). Since that time, the office has more than doubled its resources and become a stand-alone department from the OCR. In 2017, OLS hired 13 new full-time positions and received additional funding for operating expenses, staff training and outreach. Also in 2017, the City Council established a special Office of Labor Standards Subfund to guarantee annual funding of OLS from the City's existing business license tax revenues. The 2018 Proposed Budget maintains the increases added in the 2017 budget and includes only minor technical adjustments to reflect updated internal service rates, health care costs and annual space rent.

Office of Labor Standards

Incremental Budget Changes

Office of Labor Standards

	2018 Budget	FTE
Total 2018 Endorsed Budget	\$ 5,698,246	23.00
Baseline Changes		
Citywide Adjustments for Standard Cost Changes	-\$ 12,611	0.00
Lease Cost Adjustment	\$ 12,581	0.00
Total Incremental Changes	-\$ 30	0.00
2018 Proposed Budget	\$ 5,698,216	23.00

Descriptions of Incremental Budget Changes

Baseline Changes

Citywide Adjustments for Standard Cost Changes - (\$12,611)

Citywide technical adjustments made in the baseline phase reflect changes to internal services costs, health care, and industrial insurance charges for the department. These adjustments reflect initial assumptions about these costs and inflators early in the budget process.

Lease Cost Adjustment - \$12,581

In 2017, the Office of Labor Standards (OLS) moved out of its shared space with the Office for Civil Rights. This adjustment aligns OLS' budget with actual costs for annual space rent.

Expenditure Overview

Appropriations	Summit Code	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Office of Labor Standards Budget Control Level	X1L01	2,292,057	5,746,889	5,698,246	5,698,216
Department Total		2,292,057	5,746,889	5,698,246	5,698,216
Department Full-time Equivalents Total*		9.00	23.00	23.00	23.00

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

Office of Labor Standards

Revenue Overview

2018 Estimated Revenues

Summit Code	Source	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
587001	Interfund Transfers - General Fund	0	0	0	5,698,216
Total Finance General		0	0	0	5,698,216
Total Revenues		0	0	0	5,698,216
Total Resources		0	0	0	5,698,216

Appropriations By Budget Control Level (BCL) and Program

Office of Labor Standards Budget Control Level

The purpose of the Office of Labor Standards Budget Control Level is to implement labor standards for employees working inside Seattle's city limits. This includes investigation, remediation, outreach and education, and policy work related to the paid sick and safe time, fair chance employment, minimum wage, and wage theft, and secure scheduling ordinances, the hotel employees health and safety initiative, and other labor standards the City may enact in the future.

Program Expenditures	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Labor Standards	2,292,057	5,746,889	5,698,246	5,698,216
Total	2,292,057	5,746,889	5,698,246	5,698,216
Full-time Equivalents Total*	9.00	23.00	23.00	23.00

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

Office of Labor Standards

Labor Standards Fund Table

Office of Labor Standards Fund (00190)

	2016 Actuals	2017 Adopted	2017 Revised	2018 Endorsed	2018 Proposed
Beginning Fund Balance	0	0	0	0	0
Accounting and Technical Adjustments	0	0	0	0	0
Plus: Actual and Budgeted Revenues	0	0	5,772,752	0	5,698,216
Less: Actual and Budgeted Expenditures	0	0	5,772,752	0	5,698,216
Ending Fund Balance	0	0	0	0	0
Ending Unreserved Fund Balance	0	0	0	0	0

Legislative Department

Bruce Harrell, Council President

(206) 684-8888 TTY: (206) 233-0025

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

Department Overview

The Legislative Department is comprised of the Seattle City Council, as well as two primary divisions: Central Staff and the Office of the City Clerk. Each division supports various aspects of the Council and works with members of the public and City departments to facilitate and develop effective and responsive public policy. The Council and Legislative Department are part of the legislative branch of government, which also includes the Office of City Auditor and the Office of Hearing Examiner.

The Council is composed of two at-large and seven district-elected seats for a total of nine, nonpartisan, elected Councilmembers. In November 2015, seven district Councilmembers were elected to a four-year term beginning in 2016. Two at-large Councilmembers were elected to an initial two-year term to align the election for a four-year term with the Mayor and City Attorney election in 2017. This approach staggers the district and at-large elections two years apart in future years.

The City Council establishes city laws; creates, evaluates and approves policies, legislation, and regulations; approves the City's annual operating and capital improvement budgets; and provides oversight to the City's executive departments. Each Councilmember has a staff of legislative assistants who assist in this work.

Central Staff provides policy and budget analysis for Councilmembers and their staffs, as well as consultant contract services for the Legislative Department. The Office of the City Clerk advances principles of open government and inclusive access through effective facilitation of the legislative process and transparent, accountable stewardship of public information and the official record, including City Council proceedings and legislation. The City Clerk serves as ex-officio elections administrator and filing officer. The office manages the City's Boards and Commissions Registry Program; coordinates public records disclosure requests; and provides information technology, administrative and operational support to the Legislative Department.

Communications and Human Resources/Finance teams are also a part of the Legislative Department. Communications staff assist Councilmembers and the Council as a whole in communicating values, goals and issues to the public by providing marketing and public relations services, including website and social media management, strategic media relations and public affairs work. Human Resources/Finance staff provide employee relations, talent acquisition, employee development, performance management, benefits administration services, finance, budget, accounting, and payroll for the Legislative Department and Office of City Auditor.

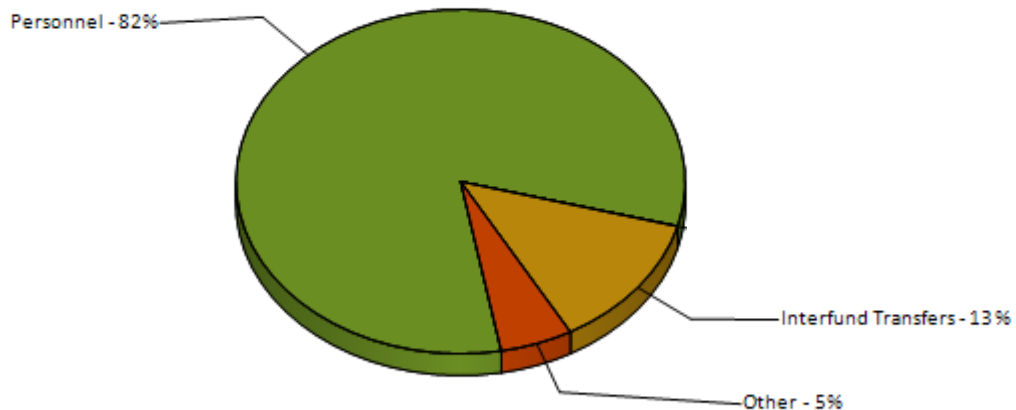
Legislative Department

Budget Snapshot

Department Support	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
General Fund Support	\$14,487,383	\$15,687,950	\$16,075,822	\$16,053,359
Total Operations	\$14,487,383	\$15,687,950	\$16,075,822	\$16,053,359
Total Appropriations	\$14,487,383	\$15,687,950	\$16,075,822	\$16,053,359
Full-time Equivalent Total*	90.00	99.00	99.00	99.00

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

2018 Proposed Budget - Expenditure by Category



Budget Overview

The 2018 Proposed Budget maintains support to the City Council and preserves the services provided by the City Council to residents and City departments.

In 2017, the City Council passed Police Accountability legislation ([Ordinance 125315](#)) which eliminated the role of the Office of Professional Accountability Review Board (OPARB) from the Seattle Municipal Code. The proposed budget removes ongoing funding for the Office of Professional Accountability Review Board from the Legislative Department's budget. This funding will be repurposed to meet the intent of the new legislation.

Legislative Department

Incremental Budget Changes

Legislative Department

	2018	
	Budget	FTE
Total 2018 Endorsed Budget	\$ 16,075,822	99.00
Baseline Changes		
Citywide Adjustments for Standard Cost Changes	\$ 46,537	0.00
Proposed Changes		
Remove Funding for the Office of Professional Accountability Review Board	-\$ 69,000	0.00
Proposed Technical Changes		
Technical Adjustment	\$ 0	0.00
Total Incremental Changes	-\$ 22,463	0.00
2018 Proposed Budget	\$ 16,053,359	99.00

Descriptions of Incremental Budget Changes

Baseline Changes

Citywide Adjustments for Standard Cost Changes - \$46,537

Citywide technical adjustments made in the baseline phase reflect changes to internal services costs, health care, and industrial insurance charges for the department. These adjustments reflect initial assumptions about these costs and inflators early in the budget process.

Proposed Changes

Remove Funding for the Office of Professional Accountability Review Board - (\$69,000)

This item removes ongoing funding for the Office of Professional Accountability Review Board (OPARB) from the Legislative Department's budget. In 2017, the City Council passed Police Accountability legislation ([Ordinance 125315](#)) which eliminated the role of the Office of Professional Accountability Review Board from the Seattle Municipal Code. The legislation replaced the OPARB function with expanded responsibilities for the Community Police Commission and added the Office of the Inspector General for Public Safety. This funding will be repurposed to meet the intent of the Council's Police Accountability legislation.

Legislative Department

Proposed Technical Changes

Technical Adjustment

This adjustment makes net-zero budgetary changes to better align the department's budget with actual expenditures in each program.

Expenditure Overview

Appropriations	Summit Code	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Legislative Department Budget Control					
Central Staff		3,307,990	3,238,794	3,327,549	3,332,193
City Clerk		3,286,086	3,489,240	3,588,264	3,616,492
City Council		5,839,013	6,702,596	6,881,193	6,880,989
General Expense		2,054,295	2,257,320	2,278,816	2,223,685
Total	G1100	14,487,383	15,687,950	16,075,822	16,053,359
Department Total		14,487,383	15,687,950	16,075,822	16,053,359
Department Full-time Equivalents Total*		90.00	99.00	99.00	99.00

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

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 support the mission of the Council.

Program Expenditures	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Central Staff	3,307,990	3,238,794	3,327,549	3,332,193
City Clerk	3,286,086	3,489,240	3,588,264	3,616,492
City Council	5,839,013	6,702,596	6,881,193	6,880,989
General Expense	2,054,295	2,257,320	2,278,816	2,223,685
Total	14,487,383	15,687,950	16,075,822	16,053,359
Full-time Equivalents Total*	90.00	99.00	99.00	99.00

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

Legislative Department

The following information summarizes the programs in Legislative Department Budget Control Level:

Central Staff Program

The purpose of the Central Staff Program is to provide high-quality, objective research and analysis to the Council and its individual members on a variety of policy and budget issues, as well as consultant contract services for the Legislative department.

Expenditures/FTE	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Central Staff	3,307,990	3,238,794	3,327,549	3,332,193
Full-time Equivalents Total	22.00	19.00	19.00	19.00

City Clerk Program

The purpose of the City Clerk Program is to support and facilitate the City's legislative process in compliance with the Open Public Meetings Act; manage the City's Records Management Program and ensure public access to the City's records; preserve the City's official and historical records in compliance with the Public Records Acts; manage the City's Boards and Commissions Registry; serve as the City's ex officio elections officer; and provide information technology, administrative and operational support to the Legislative Department.

Expenditures/FTE	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
City Clerk	3,286,086	3,489,240	3,588,264	3,616,492
Full-time Equivalents Total	27.00	27.00	27.00	27.00

City Council Program

The purpose of the City Council Program is to set policy; review, consider and determine legislative action; approve the City's budget; and provide oversight of City departments. The goal of the City Council is to be transparent, effective and accountable, as well as to promote diversity and health of all neighborhoods. This program consists of the nine Councilmembers, their Legislative Assistants and the Communications and Human Resources/Finance staff.

Expenditures/FTE	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
City Council	5,839,013	6,702,596	6,881,193	6,880,989
Full-time Equivalents Total	41.00	53.00	53.00	53.00

General Expense Program

The purpose of the General Expense Program is to track and account for expenses for the operation of the Legislative Department. These expenditures include workers' compensation and unemployment claims; information technology hardware and software costs; common area equipment, furniture and related expenses; and internal City cost allocations and charges, including space rent, information technology, telephone services and common area building maintenance.

Expenditures	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
General Expense	2,054,295	2,257,320	2,278,816	2,223,685

Office of the Mayor

Tim Burgess, Mayor

(206) 684-4000

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

Department Overview

The Office of the Mayor works to provide leadership to the residents, employees, and regional neighbors of the City of Seattle and to create an environment that encourages ideas, civic discourse, and inclusion for the City's entire diverse population.

In the municipality of Seattle, the Mayor governs the Executive Branch as its chief executive officer. The many legal roles and responsibilities of the Mayor, and those working directly for the Mayor, are prescribed in the City Charter, state statutes and municipal ordinances. Elections for this nonpartisan office are held every four years.

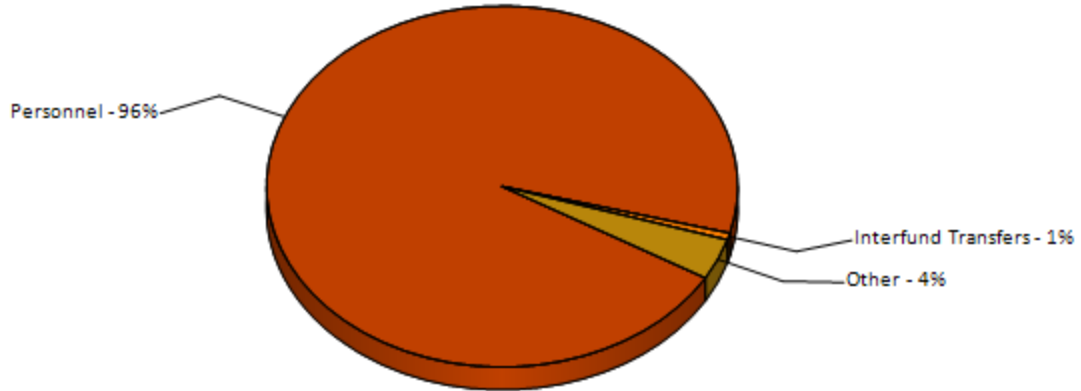
Budget Snapshot

Department Support	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
General Fund Support	\$6,430,279	\$6,572,417	\$6,762,707	\$6,389,555
Total Operations	\$6,430,279	\$6,572,417	\$6,762,707	\$6,389,555
Total Appropriations	\$6,430,279	\$6,572,417	\$6,762,707	\$6,389,555
Full-time Equivalent Total*	44.00	44.00	44.00	37.50

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

Office of the Mayor

2018 Proposed Budget - Expenditure by Category



Budget Overview

The 2018 Proposed Budget transfers a position managing the City's homelessness response to the Department of Finance and Administrative Services. The transfer of the Innovation Team in the 3rd Quarter Supplemental Budget Ordinance is reflected in the proposed budget, as well as a small increase for central cost changes.

Office of the Mayor

Incremental Budget Changes

Office of the Mayor

	2018 Budget	FTE
Total 2018 Endorsed Budget	\$ 6,762,707	44.00
Baseline Changes		
Citywide Adjustments for Standard Cost Changes	\$ 11,850	0.00
Supplemental Budget Changes	-\$ 192,630	-5.50
Proposed Changes		
Sustained and Integrated Citywide Response for Individuals Living Unsheltered	-\$ 192,372	-1.00
Total Incremental Changes	-\$ 373,152	-6.50
2018 Proposed Budget	\$ 6,389,555	37.50

Descriptions of Incremental Budget Changes

Baseline Changes

Citywide Adjustments for Standard Cost Changes - \$11,850

Citywide technical adjustments made in the baseline phase reflect changes to internal services costs, health care, and industrial insurance charges for the department. These adjustments reflect initial assumptions about these costs and inflators early in the budget process.

Supplemental Budget Changes - (\$192,630)/(5.50) FTE

This adjustment reflects changes made through supplemental budget legislation since the last adopted budget. Supplemental budget legislation is developed by the Executive and adopted by the City Council four times a year to provide for corrections to the adopted budget, unforeseen changes in circumstance, new funding opportunities or new policy priorities. These changes may include additions or reductions in appropriations and FTEs. The 3rd Quarter Supplemental Budget Ordinance transfers the Innovation Team from the Office of the Mayor to the City Budget Office. This includes an ongoing Executive 2 position and funding, as well as 4.5 FTEs that sunset in 2018 due to the expiration of Bloomberg Philanthropies support.

Office of the Mayor

Proposed Changes

Sustained and Integrated Citywide Response for Individuals Living Unsheltered - (\$192,372)/(1.00) FTE

To address concerns from business districts, neighborhoods, human service advocates and individuals experiencing homelessness, in 2016 a Task Force on Unsanctioned Encampment Protocols evaluated the City's response to the growing number of individuals living unsheltered. The task force made a series of recommendations to modify how City departments engage with individuals living in encampments. In February 2017, the Emergency Operations Center convened City departments to speed implementation of these recommendations and create a focused, integrated and sustainable Citywide response.

The 2018 Proposed Budget provides funding for this response in several City departments, focused around three key areas:

1. creating safer places for individuals living unsheltered;
2. connecting individuals living unsheltered with services; and
3. reducing the impact of living unsheltered on individuals and the surrounding environment.

The 2018 Proposed Budget recognizes that the Department of Finance and Administrative Services (FAS) is directing and coordinating the Citywide homelessness response. To reflect that role, the Executive 2 position and funding in the Office of the Mayor managing the City's response at an executive level is transferred to FAS.

Additional funding in the 2018 Proposed Budget related to this Citywide response is part of a single program implemented by multiple departments. For additional information, see the 2018 Proposed Budget Executive Summary in the Introduction section of this proposed budget.

Expenditure Overview

Appropriations	Summit Code	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Office of the Mayor Budget Control Level	X1A00	6,430,279	6,572,417	6,762,707	6,389,555
Department Total		6,430,279	6,572,417	6,762,707	6,389,555
Department Full-time Equivalents Total*		44.00	44.00	44.00	37.50

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

Office of the Mayor

Appropriations By Budget Control Level (BCL) and Program

Office of the Mayor Budget Control Level

The purpose of the Office of the Mayor Budget Control Level is to provide executive leadership to support City departments, engage and be responsive to residents of the city, develop policy for the City, and provide executive administrative and management support to the City.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Office of the Mayor	6,430,279	6,572,417	6,762,707	6,389,555
Total	6,430,279	6,572,417	6,762,707	6,389,555
Full-time Equivalents Total*	44.00	44.00	44.00	37.50

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

Personnel Compensation Trust Subfunds

Susan L. Coskey, Director

(206) 684-7923

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

Department Overview

The Personnel Compensation Trust Funds are six subfunds of the General Fund, five of which are administered by the Seattle Department of Human Resources (SDHR) 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 following subfunds are administered by the Seattle Department of Human Resources:

- **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 Aetna and Kaiser medical plans and one dental plan, and carries insurance for the remainder of the dental and vision plans.
- **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. Overall costs include fees levied by the Washington State Department of Labor and Industries, reinsurance premiums, and administrative costs to manage the program.
- **Unemployment Insurance 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.
- **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.
- **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 the Department of Finance and Administrative Services (FAS):

- **Transit Benefit Subfund:** Contains the revenues and expenditures associated with the City's employee transit subsidy program with King County Metro Transit.

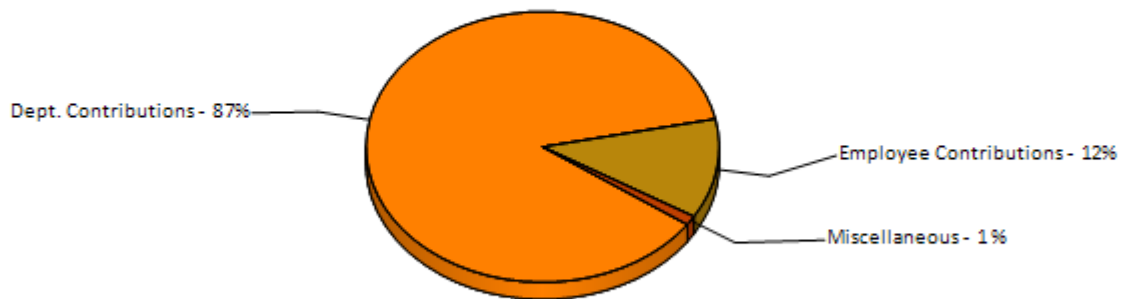
Personnel Compensation Trust Subfunds

Budget Snapshot

Department Support	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Other Funding - Operating	\$228,032,741	\$244,660,347	\$258,866,384	\$263,889,348
Total Operations	\$228,032,741	\$244,660,347	\$258,866,384	\$263,889,348
Total Appropriations	\$228,032,741	\$244,660,347	\$258,866,384	\$263,889,348
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 Human Resources Director actions outside of the budget process may not be detailed here.

2018 Proposed Budget - Revenue by Category



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: Total City health care costs including medical, dental and vision care reached \$200 million in 2016. The City of Seattle experienced slow growth in average cost increases from 2014 through 2017, however, health care costs are generally cyclical in nature and the City of Seattle expects an uptick in health care

Personnel Compensation Trust Subfunds

costs in 2018.

Overall Health Care Rate Changes in 2018

City departments contribute health care premiums per employee based on a weighted average that includes medical, dental and vision coverage. The 2018 Endorsed Budget assumed the weighted average rate would increase 5% in 2018, as compared to 2017. Using actual claims data, the City's health care economist projects an updated trend rate of 7% in the 2018 Proposed Budget, as compared to the levels in the 2017 Adopted Budget.

In 2017, Kaiser acquired GroupHealth and the City's GroupHealth members are now Kaiser members. There are no expected immediate changes to the City's healthcare plans or costs for Kaiser members, formerly GroupHealth members.

Health Care Enrollment Changes

The total Citywide expected health care enrollment is 11,843 in 2018, or an increase of 2.4% from the 2017 expected enrollment of 11,566. In addition to the health care trend described above which drives the average cost per member, the change in enrollment impacts the total expected claims costs for the City and is directly correlated to the corresponding employee and employer contributions into the health care fund to pay for claim costs.

Health Care Reserves

In addition to meeting the claims and administrative costs of the health care fund, the City maintains reserves in the Health Care Subfund as mandated by the state and to help protect the City against large claims. The reserve amounts grow in proportion to claims costs. The contributions to fund balance shown in the 2017 revised and 2018 proposed sections of the health care fund table reflect the contributions into these reserves.

Industrial Insurance Subfund: The 2018 Proposed Budget assumes that the overall costs of the City's Industrial Insurance claims costs will remain at the same levels as the 2018 Endorsed Budget.

The City received notice from the Washington State Department of Labor and Industries (L&I) that it should expect higher assessment fees in 2018 due to the City's higher risk of second injury claims. Second injury disability pension claims are a result of an employee's combined injuries from a City workplace injury and a previous or separate injury. The assessment fees serve as an insurance premium paid to the State's L&I's second injury fund. In contrast, disability pensions for injuries that occurred *only* at the City are paid in full by the City. A separate adjustment in the 2018 Proposed Budget reinstates a \$500,000 reserve in Finance General to pay these types of claims for General Fund departments.

The 2018 Proposed Budget adds \$700,000 for the 2018 portion of the 2-year purchase and implementation of an updated workers' compensation system expected to be completed in 2019. The project's remaining costs will be included in the 2019 budget.

Unemployment Subfund: There are no changes expected for unemployment costs in the 2018 Proposed Budget, as compared to the 2018 Endorsed Budget.

The subfund will make repayments in 2018 and 2019 to the General Fund, as a repayment for a \$1.1 million loan from the General Fund in 2015 for higher-than-expected claims costs.

Group Term Life Subfund: The 2018 Proposed Budget does not anticipate any substantive changes for the Group Term Life Subfund, relative to the 2018 Endorsed Budget.

Special Employment Subfund: The 2018 Proposed Budget anticipates that the Special Employment Subfund expenses will remain flat compared to the 2018 Endorsed Budget levels. As a result of the City's Summit Re-Implementation Project, the City will be able to bill departments directly for its employees in the special

Personnel Compensation Trust Subfunds

employment program, rather than recover the costs through the Special Employment Subfund. This change will inactivate the subfund by the end of 2018.

Transit Benefit Subfund: The 2018 Proposed Budget does not include any adjustments to the Transit Benefit Subfund. The City’s contract with King County for the ORCA Passport program is not finalized until after the 2018 Proposed Budget is submitted. Any changes needed to meet the final 2018 ORCA passport obligations will be made through a supplemental budget ordinance in 2018.

Incremental Budget Changes

Personnel Compensation Trust Subfunds

	2018	
	Budget	FTE
Total 2018 Endorsed Budget	\$ 258,866,384	0.00
Health Care Changes		
Increase in Health Care Costs	\$ 3,565,707	0.00
Industrial Insurance Changes		
Workers' Compensation System Replacement	\$ 700,000	0.00
Administrative Costs Changes	\$ 404,300	0.00
Pension Reserve for General Funded Departments	\$ 500,000	0.00
Group Term Life Changes		
Group Term Life and Long Term Disability Cost Changes	-\$ 147,043	0.00
Total Incremental Changes	\$ 5,022,964	0.00
2018 Proposed Budget	\$ 263,889,348	0.00

Descriptions of Incremental Budget Changes

Health Care Changes

Increase in Health Care Costs - \$3,565,707

The 2018 Proposed Budget increases the cost of health care claims and premium expense levels by \$3.6 million in 2018, as compared to the 2018 Endorsed Budget. This increase is due to two main drivers.

First, the 2017 to 2018 health care trend growth rate, which impacts the year-over-year average cost per member, increased from 5% in the 2018 Endorsed Budget to 7% in the 2018 Proposed Budget. This adjustment

Personnel Compensation Trust Subfunds

reflects the 2% change resulting from updated health care costs assumptions.

Second, the City's total health care enrollment is expected to increase by 2.4% in 2018, compared to the 2017 Adopted Budget, as a result of additional new Citywide positions in the 2018 Proposed Budget. The enrollment increase compounds with the health care trend growth by impacting the total health care claims costs.

Industrial Insurance Changes

Workers' Compensation System Replacement - \$700,000

The City's workers' compensation system will be replaced by 2019 in partnership with the Seattle Information Technology Department (SeattleIT). The current system is at the end of its useful life and requires significant manual changes for the City to meet current standards of practice for managing the workers' compensation system.

The entire system replacement, including labor costs for implementation, is expected to cost is \$1.25 million 2018 and 2019. This adjustment of \$700,000 reflects the 2018 portion of the project costs. The remaining costs will be appropriated in the 2019 budget.

Administrative Costs Changes - \$404,300

This adjustment reflects the increase in assessment fees charged by the Washington State Department of Labor and Industries (L&I) to self-insured employers. The adjustment is primarily fees to fund the State's second injury fund which relieves the City from the full cost of disability pensions as a result of City workplace injury and another prior injury.

In contrast, the cost of disability pensions as a result of City workplace injury *without* another prior injury are paid in full by the City, rather than fee-based. The 2018 Proposed Budget includes a separate adjustment that reinstates a \$500,000 reserve in Finance General that will be used to pay for these types of disability pensions.

Pension Reserve for General Funded Departments - \$500,000

This item restores a recurring reserve in Finance General for Workers' Compensation total disability payments. When an employee is found to be totally disabled from a work injury, the City pays the Washington Department of Labor and Industries a present value lump sum to a trust fund. Finance General is the payment entity for General Fund department claims and previously held a reserve for this type of expense per Resolution 30535. However, lack of claims in prior years led to a reduction of the item in a prior budget. An increase in the number of claims being processed has influenced the decision to restore the reserve to buffer the impact of large payments on General Fund departments. Expected payment amounts depend on a variety of factors, including size of family and age of total disability, making these infrequent payments substantial when they occur.

Group Term Life Changes

Group Term Life and Long Term Disability Cost Changes - (\$147,043)

This adjustment reflects a decrease in the annual growth in the 2018 premiums for the City's group term life (GTL) and long term disability (LTD) insurance programs. This decrease reflects an overall decrease in the rates and enrollment of City employees in both insurance plans.

Personnel Compensation Trust Subfunds

Expenditure Overview

Appropriations	Summit Code	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Group Term Life Budget Control Level	NA000	6,047,880	6,798,742	7,138,558	6,991,515
Health Care Budget Control Level	NM000	197,503,601	210,247,436	223,264,152	226,829,859
Industrial Insurance Budget Control Level	NR500	17,557,519	19,679,765	20,474,598	22,078,898
Special Employment Budget Control Level	NT000	18,540	100,000	100,000	100,000
Transit Benefit Budget Control Level	TRANSITB1	5,347,800	5,874,000	6,232,000	6,232,000
Unemployment Insurance Budget Control Level	NS000	1,557,401	1,960,404	1,657,076	1,657,076
Department Total		228,032,741	244,660,347	258,866,384	263,889,348
Department 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 Human Resources Director actions outside of the budget process may not be detailed here.*

Personnel Compensation Trust Subfunds

Revenue Overview

2018 Estimated Revenues

Summit Code	Source	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
	GTL & LTD - Department Contributions	749,389	871,498	915,066	858,975
	Health Care - Department Contributions	171,400,242	183,869,709	194,651,165	202,398,527
	Industrial Insurance - Dept Contributions	16,962,271	19,079,765	19,874,599	21,578,899
	Transit Benefit - Dept Contributions	5,347,800	5,874,000	6,232,000	6,232,000
	Unemployment - Department Contributions	2,248,140	1,593,737	1,657,076	1,657,076
	Total Dept. Contributions	196,707,842	211,288,709	223,329,906	232,725,477
	GTL & LTD - Employee Contributions	5,278,681	5,927,244	6,223,492	6,132,540
	Health Care - Employee Contributions	24,130,952	27,504,016	28,879,217	25,777,642
	Total Employee Contributions	29,409,633	33,431,260	35,102,709	31,910,182
	GTL & LTD - Other Funding	8,776	10,000	10,000	16,915
	Health Care - Other Funding	4,005,175	2,339,898	2,456,893	2,854,291
	Industrial Insurance - Miscellaneous	182,716	0	0	0
	Special Employment Program - Outside Funding	18,699	100,000	100,000	100,000
	Total Miscellaneous	4,215,366	2,449,898	2,566,893	2,971,206
	Total Revenues	230,332,841	247,169,867	260,999,508	267,606,865
	Use of (Contribution to) Fund Balance - GTL & LTD	11,034	-10,000	-10,000	-16,915
	Use of (Contribution to) Fund Balance - Health Care	-2,032,767	-3,466,187	-2,723,122	-4,200,602
	Use of (Contribution to) Fund Balance - Indus. Ins.	412,532	600,000	600,000	500,000
	Use of (Contribution to) Fund Balance - SEP	-159	0	0	0
	Use of (Contribution to) Fund Balance - Unemployment	-690,739	366,667	0	0
	Total Use of (Contribution to) Fund Balance	-2,300,099	-2,509,520	-2,133,122	-3,717,517
	Total Resources	228,032,742	244,660,347	258,866,386	263,889,348

Personnel Compensation Trust Subfunds

Appropriations By Budget Control Level (BCL) and Program

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.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Group Term Life Program	6,047,880	6,798,742	7,138,558	6,991,515
Total	6,047,880	6,798,742	7,138,558	6,991,515

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.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Health Care Program	197,503,601	210,247,436	223,264,152	226,829,859
Total	197,503,601	210,247,436	223,264,152	226,829,859

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.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Industrial Insurance Program	17,557,519	19,679,765	20,474,598	22,078,898
Total	17,557,519	19,679,765	20,474,598	22,078,898

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.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Special Employment Program	18,540	100,000	100,000	100,000
Total	18,540	100,000	100,000	100,000

Personnel Compensation Trust Subfunds

Transit Benefit Budget Control Level

The purpose of the Transit Benefit Budget Control Level is to pay 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 other regional transit passes and related administrative expenses.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Transit Benefit Program	5,347,800	5,874,000	6,232,000	6,232,000
Total	5,347,800	5,874,000	6,232,000	6,232,000

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.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Unemployment Insurance Program	1,557,401	1,960,404	1,657,076	1,657,076
Total	1,557,401	1,960,404	1,657,076	1,657,076

Personnel Compensation Trust Subfunds

Personnel Compensation Trust Subfunds Fund Table

Special Employment Program Subfund (00515)

	2016 Actuals	2017 Adopted	2017 Revised	2018 Endorsed	2018 Proposed
Beginning Fund Balance	124,571	124,571	124,730	124,571	124,730
Accounting and Technical Adjustments	0	0	0	0	0
Plus: Actual and Estimated Revenues	18,699	100,000	100,000	100,000	100,000
Less: Actual and Budgeted Expenditures	18,540	100,000	100,000	100,000	100,000
Ending Fund Balance	124,730	124,571	124,730	124,571	124,730
Ending Unreserved Fund Balance	124,730	124,571	124,730	124,571	124,730

Industrial Insurance Subfund (00516)

	2016 Actuals	2017 Adopted	2017 Revised	2018 Endorsed	2018 Proposed
Beginning Fund Balance	6,441,298	5,741,298	6,028,766	5,141,298	4,975,656
Accounting and Technical Adjustments	0	0	0	0	0
Plus: Actual and Estimated Revenues	17,144,987	19,079,765	19,326,655	19,874,599	21,578,899
Less: Actual and Budgeted Expenditures	17,557,519	19,679,765	20,379,765	20,474,598	22,078,898
Ending Fund Balance	6,028,766	5,141,298	4,975,656	4,541,299	4,475,657
Policy Reserve	2,778,561	3,065,011	3,065,011	3,212,012	3,212,012
Total Reserves	2,778,561	3,065,011	3,065,011	3,212,012	3,212,012
Ending Unreserved Fund Balance	3,250,205	2,076,287	1,910,645	1,329,287	1,263,645

Unemployment Insurance Subfunds (00517)

	2016 Actuals	2017 Adopted	2017 Revised	2018 Endorsed	2018 Proposed
Beginning Fund Balance	1,396,293	1,688,314	2,087,032	1,321,647	1,538,474
Accounting and Technical Adjustments	0	0	0	0	0

Personnel Compensation Trust Subfunds

Plus: Actual and Estimated Revenues	2,248,140	1,593,737	1,854,014	1,657,076	1,657,076
Less: Actual and Budgeted Expenditures	1,557,401	1,960,404	2,402,572	1,657,076	1,657,076
Ending Fund Balance	2,087,032	1,321,647	1,538,474	1,321,647	1,538,474
General Fund Payback Reserve	366,667	0	366,667	0	0
Policy Reserve	500,000	500,000	500,000	500,000	500,000
Total Reserves	866,667	500,000	866,667	500,000	500,000
Ending Unreserved Fund Balance	1,220,365	821,647	671,807	821,647	1,038,474

Health Care Subfund (00627)

	2016 Actuals	2017 Adopted	2017 Revised	2018 Endorsed	2018 Proposed
Beginning Fund Balance	71,767,934	74,297,392	73,800,702	77,763,579	79,079,994
Accounting and Technical Adjustments	0	0	0	0	0
Plus: Actual and Estimated Revenues	199,536,369	213,713,623	213,863,982	225,987,275	231,030,460
Less: Actual and Budgeted Expenditures	197,503,601	210,247,436	208,584,690	223,264,152	226,829,859
Ending Fund Balance	73,800,702	77,763,579	79,079,994	80,486,702	83,280,595
Forecast Variance Reserve	9,126,997	10,126,000	9,227,000	10,126,000	9,453,000
Reserve- Healthcare Purposes	49,367,705	51,510,504	53,361,021	53,283,968	55,666,021
State Mandated Reserve	15,306,000	16,127,075	16,491,973	17,076,734	18,161,574
Total Reserves	73,800,702	77,763,579	79,079,994	80,486,702	83,280,595
Ending Unreserved Fund Balance	0	0	0	0	0

Personnel Compensation Trust Subfunds

Group Term Life Insurance Subfund (00628)

	2016 Actuals	2017 Adopted	2017 Revised	2018 Endorsed	2018 Proposed
Beginning Fund Balance	466,126	481,433	455,092	491,433	471,676
Accounting and Technical Adjustments	0	0	0	0	0
Plus: Actual and Estimated Revenues	6,036,846	6,808,742	6,544,609	7,148,558	7,008,430
Less: Actual and Budgeted Expenditures	6,047,880	6,798,742	6,528,025	7,138,558	6,991,515
Ending Fund Balance	455,092	491,433	471,676	501,433	488,591
Ending Unreserved Fund Balance	455,092	491,433	471,676	501,433	488,591

Transit Benefit Subfund (00410)

	2016 Actuals	2017 Adopted	2017 Revised	2018 Endorsed	2018 Proposed
Beginning Fund Balance			0	0	0
Plus: Actual and Estimated Revenues	5,347,800	5,874,000	5,874,000	6,232,000	6,232,000
Less: Actual and Budgeted Expenditures	5,347,800	5,874,000	5,874,000	6,232,000	6,232,000
Ending Fund Balance	0	0	0	0	0
Ending Unreserved Fund Balance	0	0	0	0	0

Office of Sustainability and Environment

Jessica Finn Coven, Director

(206) 684-9261

www.seattle.gov/environment

Department Overview

The Office of Sustainability and Environment (OSE) partners with City departments, community organizations, nonprofits, and businesses to solve pressing environmental challenges. OSE develops policies and promotes green initiatives through three functional areas:

Citywide Coordination: Coordinates interdepartmental work on priority programs, policies, and outreach to advance the City's environmental goals. OSE's coordination work includes a focus on food systems, urban forestry, green infrastructure, energy efficiency in City buildings, equity and environment, and environmental performance measurement.

Innovation & Research: Conducts research and develops the City's next generation of environmental and sustainability policies and programs. OSE's innovation and research includes a special focus on building energy and transportation electrification, including implementing the Building Energy Benchmarking & Tune-Up program, and implementing the Drive Clean Seattle program.

Climate Change Action Planning, Implementation and Measurement: Coordinates implementation of the Seattle Climate Action Plan to reduce Seattle's greenhouse gas emissions, including goal assessment, action planning, community outreach, and performance measurement. OSE's climate change planning and measurement work also includes implementing a climate change adaptation strategy that minimizes the disproportionate impacts of a changing climate while making Seattle less vulnerable and more resilient.

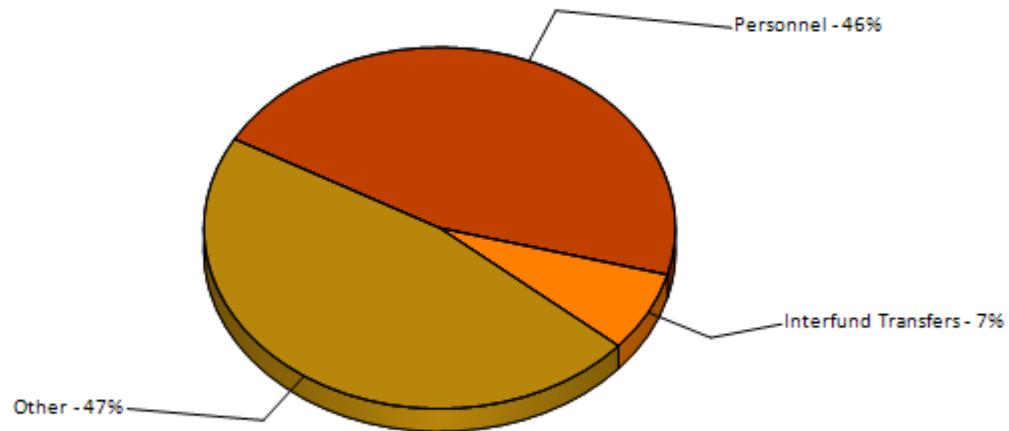
Budget Snapshot

Department Support	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
General Fund Support	\$4,536,220	\$4,323,639	\$4,425,668	\$6,971,975
Total Operations	\$4,536,220	\$4,323,639	\$4,425,668	\$6,971,975
Total Appropriations	\$4,536,220	\$4,323,639	\$4,425,668	\$6,971,975
Full-time Equivalent Total*	17.25	19.50	19.50	26.50

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

Office of Sustainability and Environment

2018 Proposed Budget - Expenditure by Category



Budget Overview

The 2018 Proposed Budget for the Office of Sustainability and Environment (OSE) includes several changes that fund new initiatives, enhance the department's existing initiatives, and support ongoing policy and administrative functions.

New initiatives: OSE will implement or expand the following new initiatives:

Duwamish Valley Program: In 2016, OSE instituted a new initiative, the Duwamish Valley Program, to align and coordinate city departments in delivering actions to achieve environmental justice and equitable development in the Duwamish Valley. Key objectives of this initiative include:

- developing a combined City of Seattle/community shared vision for ongoing work;
- evaluating current and planned investments for opportunities to shift, connect, or reprioritize support to the Duwamish Valley; and
- developing new programs, projects, and/or capital investments to address priorities and emergent needs in the region.

Work to date has included in-depth departmental coordination by the Duwamish Action Team (DAT), co-led by staff from OSE and the Office of Planning and Community Development (OPCD). This team was formerly the Duwamish Interdepartmental Team established in 2015 by Resolution 31567, and reconceived and convened in 2016. Representatives of the DAT include staff from the Department of Neighborhoods (DON), the Office of Housing (OH), Seattle Public Utilities (SPU), Seattle City Light (SCL), the Office of Arts and Culture (ARTS), the Department of Parks and Recreation (DPR), the Department of Transportation (SDOT), and others.

The DAT has completed a project inventory, engaged community on ongoing needs, and adopted racial equity

Office of Sustainability and Environment

outcomes to guide the City's work in 2018 and beyond. As part of this effort, numerous priorities have been identified that can be met with existing City resources in 2017 and 2018. In the 2018 Proposed Budget, the Duwamish Valley Program includes the following new initiatives:

- Asthma Prevention in the Duwamish Valley (OSE)
- Duwamish Valley Outreach and Engagement (DON)
- Duwamish Community Capacity Building (OPCD)
- Weatherization Focus in Duwamish Area (OH)
- South Park Plaza Activation (DPR)
- South Park Community Center Enhancements (DPR)

Please see each respective department's Budget Overview and Incremental Change section, and the DPR CIP Narrative section for more detail on these initiatives.

Fresh Bucks Program Expansion: In 2013, OSE established the Fresh Bucks Program, a program that increases the affordability of fresh fruits and vegetables to participants of the Supplemental Nutritional Assistance Program (SNAP). Fresh Bucks partners with local businesses, farmer's markets, and healthcare clinics to provide additional financial incentives focusing on local healthy food assistance.

In 2015, OSE received \$1.6 million in federal grants through the Food Insecurity Nutrition Incentive (FINI) grant program to expand eligibility and benefits for program participants. By 2016, Fresh Bucks had expanded to 29 locations, and launched Fresh Bucks Rx, partnering with medical providers to prescribe fruits and vegetables to food insecure patients.

In 2018, \$530,000 of FINI grants will support direct incentives to Fresh Bucks participants. However, federal grant funding ends in 2019. As part of the long-term strategy to sustain and grow the Fresh Bucks program, the City has identified resources from the Sweetened Beverage Tax as a natural nexus to support program expansion in 2018. Most of these resources will be allocated through an Advisory Board established in Ordinance 125324.

In the 2018 Proposed Budget, Fresh Bucks will expand to close the "food security gap," or those families that do not qualify for SNAP benefits but remain food insecure. This will expand program eligibility and will increase the number of retail locations where participants can use Fresh Bucks, expand community-based outreach and promotion efforts, and add to the number of clinics and patients that receive Fresh Bucks incentives through their healthcare providers. The 2018 scope of work primarily funds one-time program expansion while the FINI grant funding remains in effect to support Fresh Bucks incentives. In 2019, this funding will continue, and will shift from one-time costs to replacing expiring grant revenues.

OSE will add seven full-time equivalent (FTE) positions to support the expansion of Fresh Bucks in 2018.

For additional information about the City's use of the Sweetened Beverage Tax, see the 2018 Proposed Budget Executive Summary in the Introduction section of the budget.

Ongoing initiative support: The 2018 Proposed Budget funds the continuation of existing initiatives in the Office of Sustainability and Environment. These initiatives include:

- Equity and Environment Initiative
- Drive Clean Seattle
- Building Energy Efficiency
- Climate Action Plan

Office of Sustainability and Environment

Incremental Budget Changes

Office of Sustainability and Environment

	2018	
	Budget	FTE
Total 2018 Endorsed Budget	\$ 4,425,668	19.50
Baseline Changes		
One-Time Reductions	-\$ 51,000	0.00
Citywide Adjustments for Standard Cost Changes	\$ 5,948	0.00
Proposed Changes		
Asthma Prevention in the Duwamish Valley	\$ 15,000	0.00
Fresh Bucks Program Expansion	\$ 2,404,359	7.00
Space Reconfiguration	\$ 100,000	0.00
Environmental Justice Committee	\$ 72,000	0.00
Total Incremental Changes	\$ 2,546,307	7.00
2018 Proposed Budget	\$ 6,971,975	26.50

Descriptions of Incremental Budget Changes

Baseline Changes

One-Time Reductions - (\$51,000)

This item reflects technical corrections to OSE's one-time budget additions from the previous year. This funding removes the one-time Environmental Justice Committee pilot funding from the 2018 baseline. This funding will be restored in full as part of an ongoing program in the 2018 Proposed Budget.

Citywide Adjustments for Standard Cost Changes - \$5,948

Citywide technical adjustments made in the baseline phase reflect changes to internal services costs, health care, and industrial insurance charges for the department. These adjustments reflect initial assumptions about these costs and inflators early in the budget process.

Proposed Changes

Asthma Prevention in the Duwamish Valley - \$15,000

This item funds one-time expanded outreach that would engage community members to help identify targeted actions that would mitigate air quality problems. The City currently funds efforts in the Human Services Department (HSD) and Seattle-King County Public Health (SKCPH) to deliver programs that address asthma

Office of Sustainability and Environment

related issues in Seattle neighborhoods. This new work will expand outreach efforts to include multilingual and in-language education and recruitment, assisting the City in connecting communities with proven solutions to air quality concerns. This work would be in coordination with the existing HSD and SKCPH work.

Fresh Bucks Program Expansion - \$2,404,359/7.00 FTE

This item expands the existing Fresh Bucks program outlined in the Budget Overview to include additional outreach, marketing, administrative costs, incentives, and program development, and to expand program eligibility. The expansion would increase the capacity of OSE to grow the number of local groceries, community clinics, and farmers market incentives available to program participants. Included in this funding:

- 1.0 FTE Senior Grants and Contracts Specialist to pursue outside resources and manage grant contracts;
- 1.0 FTE Senior Planning and Development Specialist to coordinate outreach and community partnerships;
- 1.0 FTE Senior Planning and Development Specialist to provide data analytics and reporting support;
- 1.0 FTE Accountant to provide financial analysis and meet reporting requirements;
- 1.0 FTE Administrative Specialist 2 to support program staff, and;
- reclass two positions to support an expanding program.

This item also includes funding for a 1.0 FTE Strategic Advisor 2 to continue the work of updating and implementing the citywide Food Action Plan, an integral project in coordinating other city departments on Fresh Bucks as well as broader food policy. Finally, this item includes a 1.0 FTE Strategic Advisor 1 position to support the administration of the advisory committee tasked with overseeing the allocation of the Sweetened Beverage Tax revenue, the primary source of support for this program expansion. For additional information about the City's use of the Sweetened Beverage Tax ([Ordinance 125324](#)), see the 2018 Proposed Budget Executive Summary in the Introduction section of the budget.

Space Reconfiguration - \$100,000

As OSE has expanded its scope and continued to deliver new initiatives, it has outgrown its physical office space. This one-time funding would support the soft costs including moving and storage of office materials in preparation for reconfiguring existing space within the Seattle Municipal Tower with more efficient desks and workstations. This will provide for current needs and future expansion to OSE. Additional funding is included in the Finance and Administrative Services Department to fund construction and capital costs.

Environmental Justice Committee - \$72,000

This item fully funds the Environmental Justice Committee (EJC) in 2018 and ongoing. The EJC is a fundamental component of the Equity and Environment Initiative, supporting communities historically underserved and overrepresented by environmental health and equity investments. In 2017, the Office of Sustainability and Environment was initiated as a pilot program to make recommendations on major environmental policy initiatives from an equity perspective.

The shift from pilot project to full implementation follows the successful Community Liaison model from the Department of Neighborhoods to partner with community experts who can identify needs, review City projects, and provide recommendations from an equity perspective. This funding will support 10 EJC committee participants.

Office of Sustainability and Environment

Expenditure Overview

Appropriations	Summit Code	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Office of Sustainability and Environment Budget Control Level	X1000	4,536,220	4,323,639	4,425,668	6,971,975
Department Total		4,536,220	4,323,639	4,425,668	6,971,975
Department Full-time Equivalents Total*		17.25	19.50	19.50	26.50

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

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	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Office of Sustainability and Environment	4,536,220	4,323,639	4,425,668	6,971,975
Total	4,536,220	4,323,639	4,425,668	6,971,975
Full-time Equivalents Total*	17.25	19.50	19.50	26.50

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

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.

Revenue Overview

(in Thousands)

Summit Code	Revenue	2016 Actuals	2017 Adopted	2017 Revised	2018 Endorsed	2018 Proposed
411100	Property Tax	237,941	244,284	245,507	255,019	257,490
411100	Property Tax-Medic One Levy	45,794	46,648	48,194	47,814	49,881
413100	Retail Sales Tax	218,986	225,849	229,366	230,979	239,736
413600	Use Tax - Brokered Natural Gas	1,308	1,257	1,373	1,401	1,333
413700	Retail Sales Tax - Criminal Justice	18,263	19,091	19,060	19,768	20,045
416100	Business & Occupation Tax (100%)	234,908	253,059	252,236	266,653	268,004
416200	Admission Tax	10,328	9,207	10,346	9,415	10,465
416430	Utilities Business Tax - Natural Gas (100%)	9,501	10,571	11,227	11,281	11,213
416450	Utilities Business Tax - Solid Waste (100%)	981	1,375	1,100	1,400	1,250
416457	Tonnage Tax (100%)	7,183	6,332	7,363	6,400	7,547
416460	Utilities Business Tax - Cable Television (100%)	18,299	18,773	18,230	19,350	18,752
416470	Utilities Business Tax - Telephone (100%)	23,140	22,254	20,865	22,412	21,094
416480	Utilities Business Tax - Steam (100%)	1,146	1,173	1,216	1,257	1,274
418200	Leasehold Excise Tax	5,788	5,200	5,500	4,800	5,500
418500	Gambling Tax	446	425	425	425	425

General Subfund

Summit Code	Revenue	2016 Actuals	2017 Adopted	2017 Revised	2018 Endorsed	2018 Proposed
	Sugar Sweetened Beverage Tax	-	-	-	-	14,820
418600	Pleasure Boat Tax	129	120	120	120	120
	Total External Taxes	834,143	865,619	872,128	898,494	928,947
516410	Utilities Business Tax - City Light (100%)	48,298	52,965	53,875	54,839	55,101
516420	Utilities Business Tax - City Water (100%)	31,347	31,572	31,907	32,920	32,966
516440	Utilities Business Tax - Drainage/Waste Water (100%)	44,616	46,036	46,091	47,269	49,603
516450	Utilities Business Tax - City SWU (100%)	15,060	18,505	18,687	19,822	20,135
	Total Interfund Taxes	139,321	149,078	150,561	154,850	157,805
421920	Business License Fees (100%)	11,013	13,751	13,751	15,444	15,444
422190	Emergency Alarm Fees	3,621	3,100	3,100	3,100	3,100
422450	Vehicle Overload Permits	256	248	248	248	248
422490	Street Use Permits	907	875	875	825	825
422920	Fire Permits	5,340	6,419	6,151	6,526	6,297
422940	Meter Hood Service	4,176	3,760	3,770	3,645	3,655
422990	Gun Permits and Other	35	27	35	27	35
422990	Other Non Business Licenses	3,105	2,446	3,622	2,446	3,636
	Total Licenses	28,452	30,626	31,551	32,261	33,239
431010	Federal Grants - Other	7,704	216	246	216	246
433010	Federal Indirect Grants - Other	3,891	-	-	-	-
434010	State Grants - Other	196	-	-	-	-
	Total Federal and State Grants	11,791	216	246	216	246
436064	Marijuana Excise Tax	379	943	400	1,281	400
436129	Trial Court Improvement Account	165	150	165	150	165
436610	Criminal Justice Assistance (High Impact)	1,886	2,450	2,000	2,450	2,000
436621	Criminal Justice Assistance (Population)	1,599	825	1,550	825	1,550
436694	Liquor Excise Tax	3,160	2,940	3,150	2,940	3,150
436695	Liquor Board Profits	5,706	5,450	5,750	5,450	5,750
	Total State Entitlements/Impact Programs	12,895	12,758	13,015	13,096	13,015

General Subfund

Summit Code	Revenue	2016 Actuals	2017 Adopted	2017 Revised	2018 Endorsed	2018 Proposed
439090	Benaroya Hall - Concession Payment	540	620	620	700	700
	Total Grants from Private Sources	540	620	620	700	700
441610	Copy Charges	46	75	48	75	48
441950	Legal Services	26	34	34	34	34
441960	Automated Fingerprint Information System (AFIS)	2,591	3,780	3,456	3,780	3,456
441960	Fire Special Events Services	1,224	1,094	1,105	1,117	1,127
441960	Personnel Services	224	540	657	554	669
441990	Hearing Examiner Fees	14	3	3	3	3
441990	Other Service Charges - General Government	709	426	383	533	647
441990	Vehicle Towing Revenues	681	500	500	500	500
442100	Law Enforcement Services	6,045	4,134	3,851	4,134	3,832
442100	Traffic Control Services	(34)	439	225	439	238
442330	Adult Probation and Parole (100%)	297	350	350	350	350
442500	E-911 Reimbursements & Cellular Tax Revenue	4,989	3,748	4,187	3,748	4,197
447400	Special Events Recovery	-	-	-	-	-
	Total External Service Charges	16,810	15,122	14,798	15,266	15,100
455900	Court Fines & Forfeitures (100%)	28,222	28,875	25,878	29,625	27,885
457300	Municipal Court Cost Recoveries (100%)	427	578	377	578	377
457400	Confiscated Funds	442	238	220	238	220
	Total Fines and Forfeitures	29,091	29,691	26,475	30,441	28,482
461110	Interest on Investments	2,320	3,040	4,323	4,323	6,124
462300	Parking Meters	37,977	43,011	39,861	45,662	40,973
469990	Other Miscellaneous Revenue	7,362	2,843	3,301	2,703	2,387
	Total Miscellaneous Revenues	47,660	48,894	47,485	52,687	49,485
541990	Interfund Revenue to City Budget Office	2,088	1,862	1,862	1,909	1,909
541990	Interfund Revenue to Personnel	7,587	8,040	8,087	8,306	8,337
541990	Miscellaneous Interfund Revenue	18,869	21,426	20,995	21,889	21,456
	Total Interfund Charges	28,544	31,329	30,944	32,105	31,702

General Subfund

Summit Code	Revenue	2016 Actuals	2017 Adopted	2017 Revised	2018 Endorsed	2018 Proposed
587400	Transfer from - Utilities for Council Oversight	339	559	559	576	576
587900	Transfer from - Municipal Jail Subfund	-	-	-	-	-
587900	Transfer from - Transportation Subfund	5,700	612	507	630	869
587900	Transfer from - School Zone Camera Fund	4,038	1,586	2,238	1,586	2,238
587900	Transfer from - Cumulative Reserve Subfund	680	618	506	637	506
587900	Transfer from - Arts & Cultural Affairs	-	177	177	181	281
587900	Transfer from - Seattle IT	5,200	1,660	1,660	1,007	1,007
587900	Transfer from - FAS	10,000	-	-	-	-
587900	Transfer from - OPCD	1,029	-	-	-	-
587900	Transfer from - SRI	2,955	-	4,326	2,014	1,950
587900	Transfer from - Unemployment Insurance Fund	-	-	733	-	367
	Total Operating Transfers	29,940	5,212	10,705	6,630	7,792
	Total General Subfund	1,179,188	1,189,165	1,198,529	1,236,746	1,266,514
	Bond Proceeds	-	29,000	29,000	-	-
	Interfund Loans	-	6,500	16,000	-	-
	Revenue from 2017 Supplementals	-	-	7,396	-	-
	King County Proceeds	-	-	-	-	1,000
	Other Resources	-	35,500	52,396	0	1,000
	Total General Fund Resources	1,179,188	1,224,665	1,250,925	1,236,746	1,267,514

General Subfund

General Subfund Fund Table (Fund 00100)

(in Thousands)

	2017 Revised	2018 Endorsed	2018 Proposed
Beginning Fund Balance	78,384	58,164	43,138
Beginning Unreserved Fund Balance	78,384	58,164	43,138
REVENUES			
Property Tax	293,701	302,833	307,371
Sales Tax	248,426	250,747	259,781
Business and Occupation Tax	252,236	266,653	268,004
Utility Tax	203,198	210,550	211,387
Other Taxes	28,277	25,501	43,359
Parking Meters	43,631	49,307	44,628
Court Fines and Forfeitures	25,878	29,625	27,885
Revenue from Other Public Entities	10,111	11,072	10,111
Service Charges & Reimbursements	50,408	51,138	50,635
Fund Balance Transfers (ERF, RSA, J&C, CRS-U)	6,379	4,616	5,842
Licenses, Permits, Interest Income and Other	31,956	32,690	35,561
SRI Bondable Reimbursements	4,326	2,014	1,950
General Fund Revenues	1,198,528	1,236,746	1,266,514
Resources from Interfund Loan Proceeds	29,000	-	-
Resources from Bond Proceeds	16,000	-	-
King County Proceeds	-	-	1,000
Supplementals	7,396	-	-
Total Resources	1,250,925	1,236,746	1,267,514
Expenditures			
Arts, Culture & Recreation	(178,375)	(182,971)	(186,062)
Health and Human Services	(101,803)	(97,276)	(110,657)
Neighborhoods & Development	(71,659)	(34,921)	(35,137)
Public Safety	(653,315)	(668,973)	(679,577)
Utilities and Transportation	(52,400)	(51,158)	(50,447)
Administration	(158,005)	(163,251)	(173,447)
Debt service	(15,880)	(18,874)	(17,699)
GF Subfunds	(4,476)	(3,390)	(5,393)
GF Supported Capital Projects	-	(352)	-
Subtotal Above Expenditures	(1,235,913)	(1,221,166)	(1,258,419)
Prior Year CarryFowards	(15,168)	(9,665)	-
Supplementals	(35,090)	-	-
Other Adjustments	-	540	-
Total Expenditures	(1,286,171)	(1,230,291)	(1,258,419)
Ending Fund Balance	43,138	64,619	52,233
Misc. Administrative Reserves	(1,988)	-	(1,988)
Planning Reserve	(25,486)	(64,606)	(50,245)
Ending Unreserved Fund Balance	15,664	13	0

Central Waterfront Improvement Fund

Marshall Foster, Director, Office of the Waterfront

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<http://www.seattle.gov/office-of-the-waterfront>

Department Overview

The Office of the Waterfront is responsible for coordinating the City's waterfront improvement efforts, including project management, design, construction, and financial management. Organizationally, it is a unit of the Seattle Department of Transportation (SDOT), although its director reports directly to the Mayor. The Office of the Waterfront is charged with administering the overall program and ensuring that it is managed efficiently and delivers on the Concept Design and Framework Plan for the Central Waterfront as adopted by the City in Resolution 31399.

The projects that make up the Central Waterfront program are included in SDOT's budget and in the budgets of two other City departments. Although there are multiple funding sources and multiple projects within the waterfront improvement program, the program itself includes all of the projects listed below.

Seattle Department of Transportation

- Alaskan Way Main Corridor project (TC367330)
- Overlook Walk and East/West Connections (TC367620)

Department of Parks and Recreation

- Parks Central Waterfront Piers Rehabilitation (K732493)
- Aquarium Expansion (K732492)

Department of Financial and Administrative Services

- Pike Place Market PC-1 North Waterfront Entrance project
- Local Improvement District Administration

The Central Waterfront Improvement Fund is a single fund from which multiple departments draw funding resources. This section describes its use by the Office of the Waterfront. The fund supports certain costs associated with the design and construction of the waterfront improvement program, costs eligible for financing by a future Local Improvement District (LID), and related costs for City administration, including the Office of the Waterfront. Appropriations made from the Central Waterfront Improvement Fund are for these purposes.

The Office of the Waterfront is supported by a range of funding sources, including funds from state and private partners, the City's commercial parking tax and real estate excise taxes, fee revenue and bonds. As noted above, a portion of the Office of the Waterfront's current funding is supported by an interfund loan until the formation of a Local Improvement District (LID), anticipated for 2018 with revenues available beginning in 2019. A LID is a financing mechanism that, in this case, will allow the City to establish a geographically bounded area within which the construction of capital improvement projects will provide a special benefit to property owners. The formation of a LID will allow the City to assess property owners a fee that captures a percentage of the increase in property

Central Waterfront Improvement Fund

values created by the local improvements. The interfund loan will be repaid over the life of the waterfront improvement program from the LID and other revenues. Philanthropic contributions to the design and construction of the waterfront improvement program will also be tracked against the balance of the interfund loan.

Budget Snapshot

Department Support	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Other Funding - Operating	\$2,999,557	\$1,701,155	\$1,878,881	\$1,878,881
Total Operations	\$2,999,557	\$1,701,155	\$1,878,881	\$1,878,881
Total Appropriations	\$2,999,557	\$1,701,155	\$1,878,881	\$1,878,881
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 Human Resources Director actions outside of the budget process may not be detailed here.

Budget Overview

The estimated cost to complete the waterfront improvement program is approximately \$778 million across all relevant City departments. The 2017 Adopted and 2018 Endorsed Budget included \$37.9 million in appropriations. The City's 2018 Proposed Budget does not change the 2018 endorsed amount. Office of the Waterfront employees are housed organizationally in the SDOT. This structure allows effective coordination between the Seawall project management team and the Office of the Waterfront and streamlines administration by making use of SDOT's existing organizational capacity.

The following paragraphs and tables summarize the multiple elements in the waterfront improvement program and their planned spending:

City Projects

These are projects that are being led by the City of Seattle and managed by City staff.

Alaskan Way Main Corridor: This project designs and constructs the rebuilt Alaskan Way/Elliott Way surface streets and the adjoining pedestrian promenade along the Seattle waterfront following the demolition of the Alaskan Way Viaduct and the opening of the new State Route (SR) 99 Bored Tunnel. The project also includes improvements to four key connections impacted by the viaduct removal, including Seneca Street, Columbia Street, and the Marion Street and Lenora Street pedestrian bridges. The Washington State Department of Transportation (WSDOT) is reimbursing the City of Seattle for the cost of replacing the surface streets and key connections that are part of this project. Local funds will help fund the improvements that are part of this project but not reimbursable by WSDOT. For details about this project, please see the SDOT CIP project for Alaskan Way Main Corridor (TC367330).

Central Waterfront Improvement Fund

For informational purposes only

LTD Spending and Appropriations	2016 LTD	2018 Endorsed	2018 Proposed	Total Project Budget (through 2023)
Central Waterfront Improvement Fund	10,403,000	0	0	57,560,000
Local Funds	22,891,000	7,266,000	7,266,000	91,985,000
State Funding	19,833,000	9,540,000	9,540,000	199,153,000
Total Alaskan Way Main Corridor	53,177,000	\$16,806,000	16,806,000	348,608,000

*Dollars in thousands

Overlook Walk and East/West Connections: Removing the viaduct provides the opportunity for the City to improve key connections between the downtown core and the waterfront. These east/west streets include Bell Street, Union Street, Pike Street and Pine Streets, Main Street, Washington Street and Railroad Way. In addition to these east/west street connections, the waterfront improvement program also includes the Overlook Walk, which will provide a major new pedestrian connection between the waterfront, the Aquarium and the Pike Place Market that will feature ADA access, views, and public open spaces. For details about this project, please see the SDOT CIP project for Overlook Walk and East/West Connections (TC367620).

For informational purposes only

LTD Spending and Appropriations	2016 LTD	2018 Endorsed	2018 Proposed	Total Project Budget (through 2023)
Central Waterfront Improvement Fund	726,000	1,410,000	1,410,000	151,355,000
Local Funds	1,098,000	3,665,000	3,665,000	19,075,000
State Funding	0	0	0	0
Total Overlook Walk and E/W Connections	1,824,000	5,075,000	5,075,000	170,430,000

Parks - Central Waterfront Piers Rehabilitation: Waterfront Park and Pier 62/63 are public park facilities owned by Seattle's Department of Parks and Recreation (DPR) that provide public access to Elliott Bay and have hosted a range of public events, markets and performances. Pier 62/63 is aged and can no longer bear heavy loads; its ability to support parks programming has been restricted since 2004. Both piers need a full seismic upgrade to meet current life safety codes, and Waterfront Park needs significant access improvements. Phase 1 of the rebuild of Pier 62/63 is going to advertisement for construction in 2017 and should be complete in 2019. A rebuilt Pier 62 may again be actively programmed as a parks facility, and will have a new floating dock providing water access to the public. The vision for Waterfront Park is as a flexible public recreation and open space. The Central Waterfront Improvement Fund will provide funding for these rebuilds. For details about this project, please see the DPR CIP project for Parks Central Waterfront Piers Rehabilitation (K732493).

Central Waterfront Improvement Fund

For informational purposes only

LTD Spending and Appropriations	2016 LTD	2018 Endorsed	2018 Proposed	Total Project Budget (through 2023)
Central Waterfront Improvement Fund	0	2,700,000	2,700,000	72,861,000
Local Funds	1,095,000	12,000,000	22,547,000	22,547,000
State Funding	0	450,000	450,000	600,000
Total Parks CWF Piers Rehabilitation	1,095,000	15,150,000	15,150,000	96,008,000

FAS - Local Improvement District Administration: Because the Department of Finance and Administrative Services (FAS) is leading the development and administration of the planned Local Improvement District (LID), the FAS operating budget details this work.

For informational purposes only

LTD Spending and Appropriations	2016 LTD	2018 Endorsed	2018 Proposed	Total Project Budget (through 2023)
Central Waterfront Improvement Fund	2,334,000	924,000	1,880,000	\$8,261,000

Partner Projects

These are projects within the scope of the waterfront improvement program that are under the leadership of other partner organizations and involve some financial contribution from the City.

Parks - Aquarium Expansion: As part of the City's overall vision for the waterfront, the non-profit Seattle Aquarium Society (SEAS) is planning an expansion to its existing facilities to support increased visitor capacity and include a major new exhibit. The Department of Parks and Recreation (DPR) owns the Seattle Aquarium and SEAS operates it. Seattle City Council approved a master plan for this expansion for the purpose of environmental review in August 2015. The master plan identifies an on-land site adjacent to the Overlook Walk as the preferred site for this expansion. For details about this project, please see the DPR CIP project for Aquarium Expansion (K-732492). Note that this table and the CIP project only address anticipated City costs for the Aquarium expansion. Total project costs are higher.

Central Waterfront Improvement Fund

For informational purposes only

LTD Spending and Appropriations	2016 LTD	2018 Endorsed	2018 Proposed	Total Project Budget (through 2023)
Central Waterfront Improvement Fund	250,000	0	0	250,000
Local Funds	1,090,000	2,370,000	2,370,000	5,940,000
State Funding	0	0	0	0
Total Aquarium Expansion	1,340,000	2,370,000	2,370,000	6,190,000

Pike Place Market PC-1 North Waterfront Entrance project: The City and the Pike Place Market Preservation and Development Authority (PPMPDA) have partnered to develop this project, which provides a mixed-use development building on the north side of the Pike Place Market. The project opened this summer.

Total Central Waterfront Improvement Fund Appropriations for 2018 Proposed by department and revenue type

Department/Revenue Type (in \$ thousands)	2018 Proposed			
	CWIF Direct	CWIF Direct	Dept. Budget	CWIF Total
Transportation	1,410	1,410	0	1,410
Interfund Loan	1,410	1,410	0	1,410
Philanthropy	0	0	0	0
Parks and Recreation	0	0	2,700	2,700
Interfund Loan	0	0	0	0
Philanthropy	0	0	2,700	2,700
Street Use Fees	0	0	0	0
Finance and Administrative Services	469	469	924	1,393
Interfund Loan – Interest Expense	469	469	0	469
Interfund Loan – LID Admin	0	0	924	924
Total	1,879	1,879	3,624	5,503

Incremental Budget Changes

Central Waterfront Improvement Fund

	2018 Budget	FTE
Total 2018 Endorsed Budget	\$ 1,878,881	0.00
2018 Proposed Budget	\$ 1,878,881	0.00

Central Waterfront Improvement Fund

Expenditure Overview

Appropriations	Summit Code	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Central Waterfront Improvement Fund Interest Expense Budget Control Level	CWIF-INT	274,732	291,155	468,881	468,881
Central Waterfront Improvement Fund Support to Transportation Budget Control Level	CWIF-CAP	2,724,825	1,410,000	1,410,000	1,410,000
Department Total		2,999,557	1,701,155	1,878,881	1,878,881
Department 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 Human Resources Director actions outside of the budget process may not be detailed here.

Revenue Overview

2018 Estimated Revenues

Summit Code	Source	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
	Other Private Contrib & Donatn	0	500,000	2,700,000	2,700,000
	Total Philanthropy	0	500,000	2,700,000	2,700,000
	Oper TR IN-FR-C-Tran Fund	0	550,000	0	0
	Total Street Use Fees	0	550,000	0	0
	Use of (Contribution to) Fund Balance	299,557	651,155	-821,119	-821,119
	Total Use of (Contribution to) Fund Balance	299,557	651,155	-821,119	-821,119
	Total Revenues	299,557	1,701,155	1,878,881	1,878,881
	Total Resources	299,557	1,701,155	1,878,881	1,878,881

Central Waterfront Improvement Fund

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.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Central Waterfront Improvement Fund Interest Expense	274,732	291,155	468,881	468,881
Total	274,732	291,155	468,881	468,881

Central Waterfront Improvement Fund Support to Transportation Budget Control Level

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 Waterfront Improvement Program.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Central Waterfront Improvement Fund Support to Transportation Budget Control Level	2,724,825	1,410,000	1,410,000	1,410,000
Total	2,724,825	1,410,000	1,410,000	1,410,000

Central Waterfront Improvement Fund

Central Waterfront Improvement Fund Table

Central Waterfront Improvement Fund

	2016 Actuals	2017 Adopted	2017 Revised	2018 Endorsed	2018 Proposed
Beginning Fund Balance	-18,478,490	-23,868,843	-21,486,021	-26,668,998	-24,286,176
Accounting and Technical Adjustments	0	0	0	0	0
Plus: Actual and Estimated Revenues	-7,974	1,050,000	1,050,000	2,700,000	2,700,000
Less: Actual and Budgeted Expenditures for Interest Expense	274,731	291,155	291,155	468,881	468,881
Less: Actual and Budgeted Expenditures for SDOT	345,184	1,410,000	1,410,000	1,410,000	1,410,000
Less: Actual and Budgeted Expenditures for Finance and Administrative Services (FAS)	1,118,829	1,099,000	1,099,000	924,000	1,880,000
Less: Actual and Budgeted Expenditures for Parks and Recreation (PARKS)	1,260,813	1,050,000	1,050,000	2,700,000	2,700,000
Ending Fund Balance	-21,486,021	-28,768,998	-24,286,176	-29,471,879	-28,045,057
Ending Unreserved Fund Balance	-21,486,021	-28,768,998	-24,286,176	-29,471,879	-28,045,057

Cumulative Reserve Subfund

Ben Noble, Director

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Department Overview

The Cumulative Reserve Subfund (CRS) primarily funds 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 (Rainy Day Fund) provides a cushion for the impact of sudden, unanticipated shortfalls in revenue due to economic downturns that could undermine City's ability to maintain services. 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.

- **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.
- **Real Estate Excise Tax II (REET II) Subaccount** is supported by an additional 0.25% tax on real estate transactions and is kept separate from REET I due to different state requirements regarding the use of these resources. State law limits the use of revenues from this additional tax to capital projects involving parks (except acquisition) and transportation.
- **Unrestricted Subaccount (CRS-U)** 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.
- **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.
- **Street Vacation Subaccount** receives funding from a portion (50%) of street vacation revenues. State law authorizes cities to charge a vacation fee equivalent to the full appraised value of the right-of-way. One half of the revenue from these fees must 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.
- **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](#).
- **Bluefields Holdings Subaccount** was established for financial monitoring and oversight of habitat on certain City-owned properties along the Duwamish River. Some parties with liability in the cleanup of the Lower Duwamish Superfund site have an obligation to fund mitigation efforts. Mitigation may include the creation of habitat. Bluefield Holdings established a unique program to build habitat areas and then sell the "credit" for creating the habitat to these liable parties. Liable parties can use the purchase of these

Cumulative Reserve Subfund

credits to satisfy their liability instead of creating habitat restoration projects themselves. The City of Seattle supports this habitat development project and entered into an agreement with Bluefield Holdings, allowing the project to proceed. The agreement requires Bluefield Holdings to maintain the habitat for an initial 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 fund the long-term preservation of the developed habitat.

The accompanying Capital Improvement Program (CIP) document fully describes department capital projects listed in this section. Specific department sections in this document list appropriations for capital projects funded by CRS in most cases. The CRS section includes only CRS appropriations for the Seattle Department of Transportation and some special projects, such as debt service payments and the City's Tenant Relocation Assistance Program.

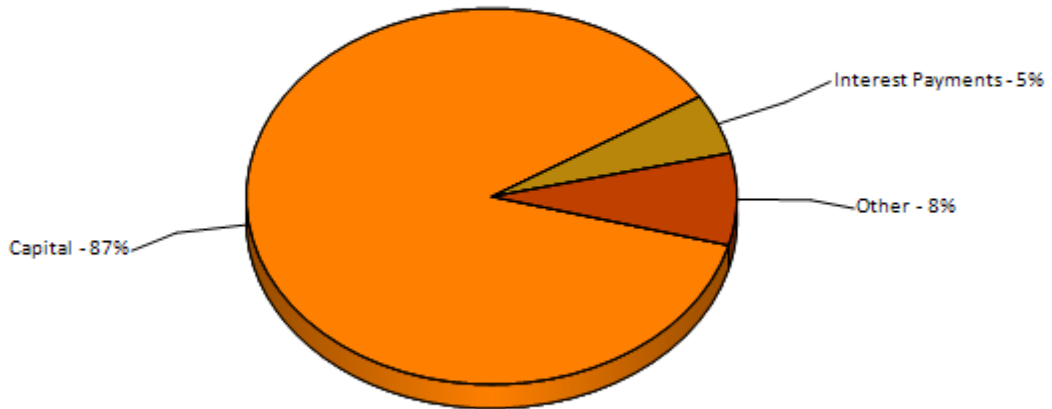
Budget Snapshot

Department Support	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Other Funding - Operating	\$37,948,536	\$33,676,000	\$9,524,519	\$15,614,519
Total Operations	\$37,948,536	\$33,676,000	\$9,524,519	\$15,614,519
Total Appropriations	\$37,948,536	\$33,676,000	\$9,524,519	\$15,614,519
Full-time Equivalent Total*	0.00	0.00	0.00	0.00

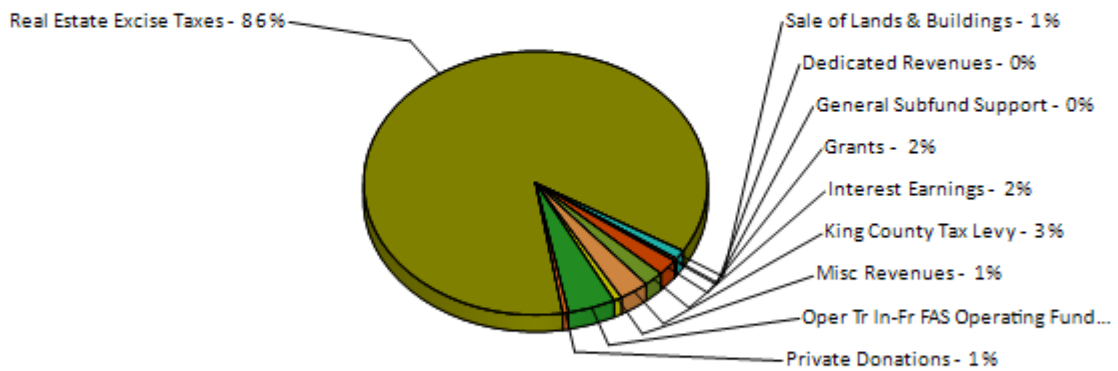
** FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.*

Cumulative Reserve Subfund

2018 Proposed Budget - Expenditure by Category



2018 Proposed Budget - Revenue by Category



Cumulative Reserve Subfund

Budget Overview

Spending from the Cumulative Reserve Subfund, used primarily in support of the City's general government capital programs, is largely supported by Real Estate Excise Taxes (REET) which are known to be extremely volatile. In 2007, the City collected \$71.8 million, compared to only \$22.8 million in 2009. Revenues have significantly recovered from the low point in 2009 and once again hit a record level of \$76.4 million in 2016. The recovery, which began in 2012, has largely been attributable to strong commercial real estate activity and a steady growth in residential sales.

Although commercial activity has remained relatively strong over the past several years, the peak appears to have taken place in 2015 and it is projected to steady at a reduced level in 2017 and in 2018. Growth in the residential REET had lagged behind the commercial activity but with low financing rates and a growing economy, residential and condominium sales have been on the upswing. Single family home prices have surpassed their previous peak set in 2007 and are expected to stabilize over the next few years while projected sales volume is expected increase.

Although REET revenues are subject to the local economic conditions, the increasing inventory of commercial and condominium buildings provides a stronger base for REET revenues than in the past. Total commercial square footage sold has been on the rise, increasing 49.7% in 2014 and 21.9% in 2015 to more than 20 million square feet. For additional information on REET revenue trends, please refer to the Revenue Overview section of this document.

The 2018 Proposed Budget appropriated \$99.8 million from the Cumulative Reserve Subfund (CRS) with approximately 90% of those appropriations backed by the two REET funds. Individual projects and programs supported by CRS resources are described in the departmental sections of this document and in the 2018-2023 Proposed Capital Improvement Program (CIP). A supporting summary schedule provides the amounts for the various City departments utilizing these resources.

Maintaining Support for Existing Programs and Major Maintenance

Cost pressures for basic major maintenance and other capital needs will likely always outpace REET revenues. CRS faces additional fiscal pressure from ongoing support provided to the 2003 Fire Facilities and Emergency Response Levy Program and additional budget needs for waterfront piers replacement project. The 2018 Proposed Budget continues its commitment for the 2003 Fire Facilities and Emergency Response Levy program with \$1.4 million of REET-supported debt issuance. For the waterfront Piers 62/63, CRS will contribute an additional \$10 million to the rehabilitation and seismic upgrades necessary to support the City's vision for the Seattle downtown waterfront. Significant REET resources are also allocated for the replacement of the existing North Seattle Police Precinct. While a further review of the proposed project design is now planned, the facility does need to be replaced and the costs will be significant. In this context, it is prudent at this time to maintain a funding reserve.

The 2018 Proposed Budget includes \$68 million for asset preservation for City infrastructure, transportation, parks, library, civic buildings, and Seattle Center projects. This represents a 20% increase above the 2018 Endorsed Budget and affirms that preserving the City's assets continues to be of primary importance. Voter approved financing for Seattle's Public Library and the Seattle Parks District add to the available resources necessary to keep the City's facilities properly maintained. For additional information on the Parks District supported programs, please refer to the Department of Parks and Recreation section of this document.

Commitment to Neighborhoods

The 2018 Proposed Budget reinforces the vision that the City's neighborhoods are safe, vibrant and healthy places to live by providing \$2 million to support the Your Voice, Your Choice program. The initiative, which wraps in what was previously known as our Neighborhood Park and Street Fund, began in July 2015 with the launch of the

Cumulative Reserve Subfund

citywide youth participatory budgeting process called Youth Voice, Youth Choice.

In 2017, the program was expanded to involve all Seattle residents. Each of Seattle's seven council districts will vote on how to spend \$285,000 for small-scale improvements to streets and parks within their district. The resources provided allow neighborhoods a greater opportunity to fund community projects that preserve and enhance the character of their neighborhoods and make them a safer place for our residents.

REET-Supported Transportation Investments

The 2018 Proposed Budget continued to devote CRS resources to support transportation projects. With approximately \$14.4 million allocated to SDOT in 2018, the proposed budget supports a broad array of transportation investments, with the goal of making the City's transportation system safe, reliable, efficient, and ready to meet future demand. Additional details are described below and in the Seattle Department of Transportation (SDOT) section of this document.

Energy Efficiency Investments

The 2018 Proposed Budget allocates \$2.5 million of REET funding to implement a package of energy efficiency projects across City facilities in support of the City's goal to achieve a 20% reduction in building energy use by the year 2020. The upgrades are expected to generate utility rebates paid by Seattle City Light. Oversight of the projects will be provided by the Office of Sustainability and Environment and the projects will be included as part of the Department of Finance and Administration capital budget.

REET Reserves

In preparation to meet the City's future obligation to the Seattle Asian Art Museum (SAAM) for renovation work, CRS resources were set aside as a reserve over the past several years. The initial commitment was part of the 2008 Parks Levy but this was shifted to CRS to facilitate the use of Parks Levy resources for more immediate maintenance needs. In 2017, \$14 million of these reserves were appropriated in the Department of Parks and Recreation's budget to meet the original obligation, which called for the City to pay half the cost of retrofit and renovation project. An additional \$5 million is being appropriated in 2018 to help fund the expanded scope of SAAM's currently proposed project, which includes a significant addition, as well as a basic retrofit and renovation.

The 2018 Proposed Budget also maintains the City's \$10 million REET cash balance reserve at the Council's prescribed level. 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. Despite lingering impacts from the Great Recession early this decade, the City managed to set aside some funds each year into its REET reserve and is well-prepared for future economic uncertainty.

Cumulative Reserve Subfund - Unrestricted

The CRS-Unrestricted Subaccount (CRS-U), which is projected to remain in a negative unreserved fund balance position through 2017, is supported by an interfund loan which was re-authorized in 2016 by ordinance 124926. The original loan allowed for the CRS-U to facilitate the purchase of the Seattle Fire Department's Joint Training Facility (JTF) land in 2003 but a related land sale that was to fund this purchase did not materialize. Over the past several years a number of strategies have been implemented to strengthen the fund's financial position. As a result of those strategies the fund has effectively reduced the interfund loan amount from the original \$10 million to just \$2 million. With the continuation of these strategies the CRS-U fund is expected to return to a positive unreserved fund balance position by 2018.

Cumulative Reserve Subfund

Asset Preservation Subaccount

The Asset Preservation Subaccount preserves and extends the useful life and operational capacity of existing Department of Finance and Administrative Services (FAS) managed facilities. City departments pay space rent to FAS in order to fund these projects. Examples of 2018 projects planned include:

- weatherization of the Seattle Municipal Tower (SMT);
- predesign for the water heater replacement at the Seattle Justice Center (SJC);
- predesign for work on SMT elevators and lighting controls;
- installation of LED lighting in City Hall;
- work on the envelopes (exteriors) of the Charles Street Tire Shop, Emergency Operations Center, and Seattle Fire Department (SFD) Headquarters; and
- heating, ventilation, and air conditioning (HVAC) work at the Joint Training Facility and the Charles Street Fire Garage.

Street Vacation Subaccount

The Street Vacation Subaccount receives funding from a portion of street vacation revenues and provides additional funding support for the Seattle Department of Transportation’s overall efforts to meet the transportation needs of the City. The timing of street vacation revenues is difficult to predict so appropriating against this resource is often done following their collection. No significant street vacation revenues are expected in 2018 and although some fees have been collected in 2017 these amounts are being appropriated via the City’s quarterly supplemental budget process.

Incremental Budget Changes

Cumulative Reserve Subfund

	2018	
	Budget	FTE
Total 2018 Endorsed Budget	\$ 9,524,519	0.00
Baseline Changes		
Citywide Adjustments for Standard Cost Changes	-\$ 209,000	0.00
Proposed Changes		
CRS Supported Transportation Programs	\$ 6,299,000	0.00
Total Incremental Changes	\$ 6,090,000	0.00
2018 Proposed Budget	\$ 15,614,519	0.00

Cumulative Reserve Subfund

Descriptions of Incremental Budget Changes

Baseline Changes

Citywide Adjustments for Standard Cost Changes - (\$209,000)

Citywide technical adjustments made in the baseline phase reflect changes to internal services costs, health care, and industrial insurance charges for the department. These adjustments reflect initial assumptions about these costs and inflators early in the budget process.

Proposed Changes

CRS Supported Transportation Programs - \$6,299,000

The 2018 Proposed Budget increases support to transportation programs by \$6.3 million from the 2018 endorsed level. This brings the total CRS investments for various transportation programs to \$14.4 million in the 2018 Proposed Budget. CRS support for transportation programs are as follows:

- Bridges and Structures - \$3.2 million
- Roads - \$2.8 million
- Sidewalk Maintenance - \$2.0 million
- Sidewalk & Pedestrian Facilities - \$0.6 million
- Neighborhood Enhancements - \$1.9 million
- Landslide Mitigation - \$1.2 million
- Debt Service - \$2.7 million

Cumulative Reserve Subfund

Expenditure Overview

Appropriations	Summit Code	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
CRS, REET I Subaccount Appropriations					
CRS REET I Support to McCaw Hall Fund Budget Control Level	2SC10	265,000	273,000	282,000	282,000
CRS REET I Support to Transportation Budget Control					
Corridor & Intersection Improvements - REET I		0	2,750,000	0	0
Debt Service (SDOT) - REET I		0	1,000,000	1,900,000	1,900,000
Roads - REET I		522,172	1,000,000	1,185,000	1,185,000
Sidewalks & Pedestrian Facilities - REET I		0	1,000,000	0	0
Trails and Bike Paths - REET I		8	0	0	0
Transit & HOV - REET I		0	3,000,000	0	0
Total	2EC30	522,180	8,750,000	3,085,000	3,085,000
CRS Support for Operating & Maintenance Expenditures - REET I Budget Control Level	2CGSF-163	692,700	0	0	0
Debt Service for REET I - Eligible Projects Budget Control Level	2DBTSVC-163	3,209,658	0	0	0
Design Commission - CRS REET I Budget Control Level	2UU50-DC-163	633,776	502,000	505,519	505,519
Tenant Relocation Assistance Program REET I Budget Control Level	2UU51	337,040	371,000	382,000	360,000
CRS, REET II Subaccount Appropriations					
CRS REET II Support to Transportation Budget Control					
Alaskan Way Viaduct - REET II		12,535,768	10,000,000	0	0
Bridges & Structures - REET II		859,961	2,677,000	2,678,000	3,178,000
Corridor & Intersection Improvements - REET II		625,460	0	111,000	0
Debt Service (SDOT) - REET II		1,348,313	0	0	0
Freight Mobility - REET II		0	5,000,000	0	0
Intelligent Transportation System - REET II		1,290,828	0	0	0
Landslide Mitigation - REET II		241,934	200,000	200,000	1,200,000
Neighborhood Enhancements - REET II		1,682,284	1,941,000	0	1,910,000
New Trails and Bike Paths - REET II		15,731	0	0	0
Roads - REET II		3,995,077	1,662,000	1,150,000	1,650,000
Sidewalk Maintenance - REET II		506,418	0	0	2,000,000
Sidewalks & Pedestrian Facilities - REET II		584,885	549,000	49,000	549,000

Cumulative Reserve Subfund

Trails and Bike Paths - REET II		-50,233	0	0	0
Transit & HOV - REET II		114,208	0	0	0
Total	2ECM0	23,750,634	22,029,000	4,188,000	10,487,000
CRS Support for Operating & Maintenance Expenditures - REET II Budget Control Level	2CGSF-161	947,458	0	0	0
Debt Service for REET II - Eligible Projects Budget Control Level	2DBTSVC-161	2,515,760	1,306,000	812,000	812,000

CRS, Street Vacation Subaccount Appropriations

CRS Street Vacation Support to Transportation Budget Control

Bridges & Structures - SV		0	177,000	0	0
Freight Mobility		13,201	0	0	0
Intelligent Transportation System -SV		290,429	0	0	0
Roads - Street Vacations		160,219	0	0	0
Transit & HOV - SV		147,685	0	0	0
Total	CRS-StVac-SDOT	611,534	177,000	0	0

CRS, Unrestricted Subaccount Appropriations

Artwork Conservation - OACA - CRS-UR Budget Control Level	V2ACGM	217,791	187,000	187,000	0
CRS-U Support to Transportation Budget Control					
Intelligent Transportation Systems - CRSU		303,603	0	0	0
Mercer Corridor - CRSU		759,346	0	0	0
New Trails and Bike Paths - CRSU		2,328,350	0	0	0
Roads - CRSU		307,086	0	0	0
Transit & HOV - CRS-U		467,620	0	0	0
Total	CRS-U-SDOT	4,166,005	0	0	0
Tenant Relocation Assistance Program - CRS-UR Budget Control Level	2UU50-TA	79,000	81,000	83,000	83,000
Department Total		37,948,536	33,676,000	9,524,519	15,614,519

Department 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 Human Resources Director actions outside of the budget process may not be detailed here.*

Cumulative Reserve Subfund

For Informational Purposes Only

Total CRS Appropriations for 2018 Proposed Budget

CRS Table 1 - Appropriations By Subfund and Department

Fu Department	2018 Endorsed			2018 Proposed		
	CRS	Dept	CRS	CRS	Dept	CRS
	Direct	Capital	Total	Direct	Capital	Total
Cumulative Reserve Subfund –REET I (00163)						
Seattle Center	\$0	\$4,883	\$4,883	\$0	\$4,883	\$4,883
Seattle Public Library	\$0	\$550	\$550	\$0	\$550	\$550
Department of Parks & Recreation	\$0	\$4,245	\$4,245	\$0	\$7,535	\$7,535
Finance & Administrative Services	\$0	\$21,508	\$21,508	\$0	\$28,145	\$28,145
Seattle Department of Transportation	\$3,085	\$0	\$3,085	\$3,085	\$0	\$3,085
Cumulative Reserve Subfund Direct Spending	\$1,170	\$0	\$1,170	\$1,148	\$0	\$1,148
Subtotal	\$4,255	\$31,186	\$35,441	\$4,233	\$41,113	\$45,346
Cumulative Reserve Subfund –REET II (00161)						
Seattle Department of Transportation	\$5,000	\$0	\$5,000	\$11,299	\$0	\$11,299
Department of Parks & Recreation		\$30,775	\$30,775		\$33,365	\$33,365
Finance & Administrative Services		\$0	\$0		\$0	\$0
Cumulative Reserve Subfund Direct Spending	\$0	\$0	\$0	\$0	\$0	\$0
Subtotal	\$5,000	\$30,775	\$35,775	\$11,299	\$33,365	\$44,664
Cumulative Reserve Subfund –Unrestricted (00164)						
Seattle Center		\$1,385	\$1,385		\$2,035	\$2,035
Seattle Department of Transportation	\$0	\$0	\$0	\$0	\$0	\$0
Department of Parks & Recreation		\$2,755	\$2,755		\$3,655	\$3,655
Finance & Administrative Services		\$28	\$28		\$28	\$28
Cumulative Reserve Subfund Direct Spending	\$270	\$0	\$270	\$83	\$0	\$83
Subtotal	\$270	\$4,168	\$4,438	\$83	\$5,718	\$5,801
Cumulative Reserve Subfund – Asset Preservation (00168)						
Finance & Administrative Services		\$5,972	\$5,972		\$4,000	\$4,000
Subtotal	\$0	\$5,972	\$5,972	\$0	\$4,000	\$4,000
Cumulative Reserve Subfund – Street Vacation (00169)						
Seattle Department of Transportation	\$0	\$0	\$0	\$0	\$0	\$0
Subtotal	\$0	\$0	\$0	\$0	\$0	\$0
Total CRS Department	\$9,525	\$72,101	\$81,625	\$15,615	\$84,196	\$99,810

CRS Table 2 - Appropriations By Department

Department	2018 Endorsed			2018 Proposed		
	CRS	Dept	CRS	CRS	Dept	CRS
	Direct	Capital	Total	Direct	Capital	Total
Subtotals by Department						
Seattle Center	\$0	\$6,268	\$6,268	\$0	\$6,918	\$6,918
Seattle Public Library	\$0	\$550	\$550	\$0	\$550	\$550
Seattle Department of Transportation	\$8,085	\$0	\$8,085	\$14,384	\$0	\$14,384
Department of Parks & Recreation	\$0	\$37,775	\$37,775	\$0	\$44,555	\$44,555
Finance & Administrative Services	\$0	\$27,508	\$27,508	\$0	\$32,173	\$32,173
Cumulative Reserve Subfund Direct Spending	\$1,440	\$0	\$1,440	\$1,231	\$0	\$1,231
Total	\$9,525	\$72,101	\$81,625	\$15,615	\$84,196	\$99,810

Cumulative Reserve Subfund

Revenue Overview

2018 Estimated Revenues

Summit Code	Source	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
461110	Interest Earnings - Bluefield Fund	1,944	2,000	2,000	2,000
461110	Interest Earnings - SLU Fund	3,004	3,500	3,500	0
461110	Interest Earnings - CRS-U	818,263	1,000,000	1,000,000	1,600,000
461110	Interest Earnings - AP Fund	46,435	65,000	65,000	65,000
	Total Interest Earnings	869,646	1,070,500	1,070,500	1,667,000
417340	REET I	38,287,831	34,675,071	35,190,071	38,297,869
417340	REET II	38,270,438	34,675,071	35,190,071	38,297,869
	Total Real Estate Excise Taxes	76,558,269	69,350,142	70,380,142	76,595,738
485110	Street Vacation -SV	45,500	770,000	1,620,000	495,000
485110	Sale of Lands & Buildings	5,016	0	0	0
485110	Street Vacation -CRS-U	45,500	770,000	1,620,000	495,000
	Total Sale of Lands & Buildings	96,016	1,540,000	3,240,000	990,000
469990	Other Misc Revenues	0	0	400,000	300,000
	Total Dedicated Revenues	0	0	400,000	300,000
461320	Oper Tr In-Fr General Fund - CRS-U	2,700,000	0	0	0
	Total General Subfund Support	2,700,000	0	0	0
441990	Federal Grants/other Misc	83,129	1,448,000	1,649,000	1,769,000
	Total Grants	83,129	1,448,000	1,649,000	1,769,000
437321	King County Tax Levy	0	1,500,000	1,500,000	2,500,000
	Total King County Tax Levy	0	1,500,000	1,500,000	2,500,000
462300	Parking Fees	180,989	50,000	0	175,000
587001	Oper Tr In-FR Transportation Fund	33,859	0	0	500,000
	Total Misc Revenues	214,848	50,000	0	675,000
479010	Private Donations	203,443	372,000	426,000	456,000
	Total Private Donations	203,443	372,000	426,000	456,000
485110	Oper Tr In-Fr General Fund	6,459,000	10,500,000	5,972,000	4,000,000
	Total Oper Tr In-Fr FAS Operating Fund	6,459,000	10,500,000	5,972,000	4,000,000
	Total Revenues	87,184,351	85,830,642	84,637,642	88,952,738
379100	Use of (Contribution to) Fund Balance - Bluefield Fund	-1,944	-2,000	-2,000	-2,000
379100	Use of (Contribution to) Fund Balance - REET I Fund	-13,180,747	8,940,394	249,983	7,047,645
379100	Use of (Contribution to) Fund Balance - REET II Fund	-7,666,391	11,015,929	584,929	6,366,132

Cumulative Reserve Subfund

379100	Use of (Contribution to) Fund Balance - SLU Fund	-3,004	-3,500	-3,500	0
379100	Use of (Contribution to) Fund Balance - SV Fund	566,034	-593,000	-1,620,000	-495,000
379100	Use of (Contribution to) Fund Balance - CRS-U Fund	2,302,891	-1,110,975	-2,157,325	-1,994,325
379100	Use of (Contribution to) Fund Balance - AP Fund	-1,223,155	-65,000	-65,000	-65,000
	Total Use of Fund Balance	-19,206,316	18,181,848	-3,012,913	10,857,452

Total Resources	67,978,035	104,012,490	81,624,729	99,810,190
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Appropriations By Budget Control Level (BCL) and Program

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.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
CRS REET I Support to McCaw Hall Fund	265,000	273,000	282,000	282,000
Total	265,000	273,000	282,000	282,000

CRS REET I Support to Transportation Budget Control Level

The purpose of the CRS REET I Support to Transportation Budget Control Level is to appropriate funds from REET I to the Transportation Operating Fund to support specific capital programs. These capital programs are listed in the Seattle Department of Transportation's section of the Budget.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Corridor & Intersection Improvements - REET I	0	2,750,000	0	0
Debt Service (SDOT) - REET I	0	1,000,000	1,900,000	1,900,000
Roads - REET I	522,172	1,000,000	1,185,000	1,185,000
Sidewalks & Pedestrian Facilities - REET I	0	1,000,000	0	0
Trails and Bike Paths - REET I	8	0	0	0
Transit & HOV - REET I	0	3,000,000	0	0
Total	522,180	8,750,000	3,085,000	3,085,000

Cumulative Reserve Subfund

CRS Support for Operating & Maintenance Expenditures - REET I Budget Control Level

This BCL provides support for general operating and maintenance costs as temporarily allowed under RCW 86.46.010 through the end of 2016.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
CRS O&M Expenditures	692,700	0	0	0
Total	692,700	0	0	0

Debt Service for REET I - Eligible Projects Budget Control Level

The purpose of the Debt Service for REET I-Eligible Projects budget control level is to make payments to the City's Bond Interest and Redemption Fund for principal repayment and interest obligations on bond financed REET-I eligible capital projects.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
CRS Debt SVC REET I	3,209,658	0	0	0
Total	3,209,658	0	0	0

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.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Design Commission - CRS REET I	633,776	502,000	505,519	505,519
Total	633,776	502,000	505,519	505,519

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.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Tenant Relocation Assistance Program REET I	337,040	371,000	382,000	360,000
Total	337,040	371,000	382,000	360,000

Cumulative Reserve Subfund

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.

Program Expenditures	2016	2017	2018	2018
	Actuals	Adopted	Endorsed	Proposed
Alaskan Way Viaduct - REET II	12,535,768	10,000,000	0	0
Bridges & Structures - REET II	859,961	2,677,000	2,678,000	3,178,000
Corridor & Intersection Improvements - REET II	625,460	0	111,000	0
Debt Service (SDOT) - REET II	1,348,313	0	0	0
Freight Mobility - REET II	0	5,000,000	0	0
Intelligent Transportation System - REET II	1,290,828	0	0	0
Landslide Mitigation - REET II	241,934	200,000	200,000	1,200,000
Neighborhood Enhancements - REET II	1,682,284	1,941,000	0	1,910,000
New Trails and Bike Paths - REET II	15,731	0	0	0
Roads - REET II	3,995,077	1,662,000	1,150,000	1,650,000
Sidewalk Maintenance - REET II	506,418	0	0	2,000,000
Sidewalks & Pedestrian Facilities - REET II	584,885	549,000	49,000	549,000
Trails and Bike Paths - REET II	-50,233	0	0	0
Transit & HOV - REET II	114,208	0	0	0
Total	23,750,634	22,029,000	4,188,000	10,487,000

Cumulative Reserve Subfund

CRS Support for Operating & Maintenance Expenditures - REET II Budget Control Level

This BCL provides support for general operating and maintenance expenses as temporarily allowed under RCW 82.46.035 through the end of 2016.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
CRS O&M Support Program - REET II	947,458	0	0	0
Total	947,458	0	0	0

Debt Service for REET II - Eligible Projects Budget Control Level

The purpose of the Debt Service for REET II-Eligible Projects budget control level is to make payments to the City's Bond Interest and Redemption Fund for principal repayment and interest obligations on bond financed REET-II eligible capital projects.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
CRS Debt Service REET II	2,515,760	1,306,000	812,000	812,000
Total	2,515,760	1,306,000	812,000	812,000

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.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Bridges & Structures - SV	0	177,000	0	0
Freight Mobility	13,201	0	0	0
Intelligent Transportation System - SV	290,429	0	0	0
Roads - Street Vacations	160,219	0	0	0
Transit & HOV - SV	147,685	0	0	0
Total	611,534	177,000	0	0

Cumulative Reserve Subfund

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.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Artwork Conservation - OACA	217,791	187,000	187,000	0
Total	217,791	187,000	187,000	0

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.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Intelligent Transportation Systems - CRSU	303,603	0	0	0
Mercer Corridor - CRSU	759,346	0	0	0
New Trails and Bike Paths - CRSU	2,328,350	0	0	0
Roads - CRSU	307,086	0	0	0
Transit & HOV - CRS-U	467,620	0	0	0
Total	4,166,005	0	0	0

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.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Tenant Relocation Assistance Program	79,000	81,000	83,000	83,000
Total	79,000	81,000	83,000	83,000

Cumulative Reserve Subfund

CRS Fund Table

Cumulative Reserve Subfund - REET I Subaccount (00163)

	2016 Actuals	2017 Adopted	2017 Revised	2018 Endorsed	2018 Proposed
Beginning Fund Balance	48,555,531	51,083,976	59,052,760	42,143,582	49,776,012
Accounting and Technical Adjustments	0	0	0	0	0
Plus: Actual and Estimated Revenues	38,287,831	34,675,071	37,493,717	35,190,071	38,297,869
Less: Actual and Budgeted Expenditures	5,660,354	9,896,000	9,896,000	4,254,519	4,232,519
Less: Capital Improvements	22,130,248	33,719,465	36,874,465	31,185,535	41,113,369
Ending Fund Balance	59,052,760	42,143,582	49,776,012	41,893,599	42,727,993
Cash Balance Reserve	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
Continuing Appropriations	33,890,262	28,093,579	33,390,262	28,093,579	33,390,262
Relocation Cost Reimbursement for Fire Station 5	4,100,000	4,100,000	4,100,000	4,100,000	4,100,000
Reserve - American Disability Act	0	0	0	3,000,000	0
Reserve - Asian Art Museum	5,900,000	3,250,000	3,250,000	0	0
Total Reserves	48,890,262	40,443,579	45,740,262	40,193,579	42,490,262
Ending Unreserved Fund Balance	10,162,498	1,700,003	4,035,750	1,700,020	237,731

Cumulative Reserve Subfund - REET II Subaccount (00161)

	2016 Actuals	2017 Adopted	2017 Revised	2018 Endorsed	2018 Proposed
Beginning Fund Balance	33,826,044	37,175,812	41,492,434	26,159,883	31,425,151
Accounting and Technical Adjustments	0	0	0	0	0
Plus: Actual and Estimated Revenues	38,270,438	34,675,071	37,493,717	35,190,071	38,297,869
Less: Actual and Budgeted Expenditures	27,213,852	23,335,000	25,205,000	5,000,000	11,299,000
Less: Capital Improvements	3,390,196	22,356,000	22,356,000	30,775,000	33,365,000
Ending Fund Balance	41,492,434	26,159,883	31,425,151	25,574,954	25,059,020
NSF - Your Voice Your Choice				2,000,000	
Reserve - Asian Art Museum	4,450,000	1,750,000	1,750,000		

Cumulative Reserve Subfund

Cash Balance Reserve	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
Continuing Appropriations	19,969,268	16,775,659	19,969,268	16,775,659	19,969,268
Total Reserves	29,419,268	23,525,659	26,719,268	23,775,659	24,969,268

Ending Unreserved Fund Balance	12,073,166	2,634,224	4,705,883	3,799,295	89,752
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Cumulative Reserve Subfund - Unrestricted Subaccount (00164)

	2016 Actuals	2017 Adopted	2017 Revised	2018 Endorsed	2018 Proposed
Beginning Fund Balance	11,700,417	12,333,526	9,397,525	13,444,501	13,485,500
Accounting and Technical Adjustments	0	0	0	0	0
Plus: Actual and Estimated Revenues	4,070,199	5,140,000	10,442,000	6,595,000	7,795,000
Less: Actual and Budgeted Expenditures	4,462,796	268,000	268,000	270,000	83,000
Less: Capital Improvements	1,910,295	3,761,025	6,086,025	4,167,675	5,717,675
Ending Fund Balance	9,397,525	13,444,501	13,485,500	15,601,826	15,479,825
Continuing Appropriations	13,833,765	13,260,962	13,831,765	13,260,962	13,831,765
King County Parks Levy	1,800,000	1,800,000	1,100,000	1,800,000	1,100,000
Parks Sreet Vacation Reserve				495,000	495,000
Total Reserves	15,633,765	15,060,962	14,931,765	15,555,962	15,426,765

Ending Unreserved Fund Balance	-6,236,240	-1,616,461	-1,446,265	45,864	53,060
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Cumulative Reserve Subfund - South Lake Union Property Proceeds Subaccount (00167)

	2016 Actuals	2017 Adopted	2017 Revised	2018 Endorsed	2018 Proposed
Beginning Fund Balance	324,376	227,877	327,380	231,377	0
Accounting and Technical Adjustments	0	0	0	0	0
Plus: Actual and Estimated Revenues	3,004	3,500	3,000	3,500	0
Less: Actual and Budgeted Expenditures	0	0	330,380	0	0
Ending Fund Balance	327,380	231,377	0	234,877	0

Ending Unreserved Fund Balance	327,380	231,377	0	234,877	0
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Cumulative Reserve Subfund

Cumulative Reserve Subfund - Bluefields Subaccount (00178)

	2016 Actuals	2017 Adopted	2017 Revised	2018 Endorsed	2018 Proposed
Beginning Fund Balance	209,938	211,938	211,882	213,938	213,882
Accounting and Technical Adjustments	0	0	0	0	0
Plus: Actual and Estimated Revenues	1,944	2,000	2,000	2,000	2,000
Ending Fund Balance	211,882	213,938	213,882	215,938	215,882
Designated for Special Purpose	211,882	213,938	213,882	215,938	215,882
Total Reserves	211,882	213,938	213,882	215,938	215,882
Ending Unreserved Fund Balance	0	0	0	0	0

Cumulative Reserve Subfund - Street Vacation Subaccount (00169)

	2016 Actuals	2017 Adopted	2017 Revised	2018 Endorsed	2018 Proposed
Beginning Fund Balance	8,287,155	2,409,656	7,721,121	3,002,656	7,321,763
Accounting and Technical Adjustments	0	0	0	0	0
Plus: Actual and Estimated Revenues	45,500	770,000	3,772,000	1,620,000	495,000
Less: Actual and Budgeted Expenditures	611,534	177,000	4,171,358	0	0
Ending Fund Balance	7,721,121	3,002,656	7,321,763	4,622,656	7,816,763
Continuing Appropriations	7,291,764	1,994,063	7,291,764	1,994,063	7,291,764
Designated for Special Purposes	429,357	1,008,593	29,999	2,628,593	524,999
Total Reserves	7,721,121	3,002,656	7,321,763	4,622,656	7,816,763
Ending Unreserved Fund Balance	0	0	0	0	0

Cumulative Reserve Subfund, Asset Preservation Subaccount - Fleets and Facilities (00168)

	2016 Actuals	2017 Adopted	2017 Revised	2018 Endorsed	2018 Proposed
Beginning Fund Balance	4,179,808	3,246,435	5,402,963	3,311,435	5,467,963
Accounting and Technical Adjustments	0	0	0	0	0

Cumulative Reserve Subfund

Plus: Actual and Estimated Revenues	6,505,435	10,565,000	9,165,000	6,037,000	4,065,000
Less: Capital Improvements	5,282,280	10,500,000	9,100,000	5,972,000	4,000,000
Ending Fund Balance	5,402,963	3,311,435	5,467,963	3,376,435	5,532,963
Continuing Appropriations	5,282,282	3,172,190	5,282,282	3,172,190	5,282,282
Large Expense Project Reserve	120,681	139,245	185,681	204,245	250,681
Total Reserves	5,402,963	3,311,435	5,467,963	3,376,435	5,532,963
Ending Unreserved Fund Balance	0	0	0	0	0

Debt Service

Fred Podesta, Director

(206) 386-0041

<http://www.seattle.gov/finance-and-administrative-services>

Department Overview

The purpose of this Debt Service section is to provide appropriation authority for particular payments of debt service and associated costs of issuing debt that require legal appropriations. These appropriations include debt service payments to be made from the Bond Interest and Redemption Fund, Limited Tax General Obligation (LTGO) Issuance Costs, Unlimited Tax General Obligation (UTGO) Issuance Costs, and Unlimited Tax General Obligation (UTGO) (voter approved) debt service payments.

Budget Snapshot

Department Support	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Other Funding - Operating	\$31,322,335	\$38,066,079	\$35,080,412	\$34,974,261
Total Operations	\$31,322,335	\$38,066,079	\$35,080,412	\$34,974,261
Total Appropriations	\$31,322,335	\$38,066,079	\$35,080,412	\$34,974,261
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 Human Resources Director actions outside of the budget process may not be detailed here.

Budget Overview

In addition to the regular operating budget, the City uses bonds and property tax levies to fund a variety of capital improvement projects. The City's budget must include funds to pay interest and principal on outstanding bonds. The City has issued three types of debt to finance its capital improvement programs: unlimited tax general obligation bonds, limited tax general obligation bonds and revenue bonds.

Unlimited Tax General Obligation Bonds

The City may issue Unlimited Tax General Obligation (UTGO) Bonds for capital purposes if a proposition authorizing their issuance is approved by 60% of the voters in an election in which the number of voters exceeds 40% of the voters in the most recent general election. Payment of principal and interest is backed by the "full faith and credit" of the City. This means that the City commits itself to include in its property tax levy an amount that is sufficient to pay principal and interest on the bonds. Property taxes levied to pay debt service on UTGO bonds are not subject to the statutory limits in state law on the taxing authority of local governments, which is why UTGO bonds are "unlimited" (see the "Property Tax" section of the "Revenue Overview" for a description of statutory limits on 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, 2016, there were approximately \$308 million in UTGO bonds outstanding.

Debt Service

Limited Tax General Obligation Bonds

The City Council may authorize the issuance of Limited Tax General Obligation (LTGO) Bonds, also known as Councilmanic bonds, in an amount up to 1.5% of assessed valuation, without a vote of the people. The City pledges its full faith and credit to the payment of principal and interest on LTGO bonds, but this pledge must be fulfilled within the City's statutory property tax limitations. Thus, these are "limited" general obligation bonds. The combination of UTGO bonds issued for general purposes and LTGO bonds cannot exceed 2.5% of assessed property valuation. If LTGO bonds are issued up to the 1.5% ceiling, then UTGO bonds for general purposes are limited to 1% of assessed value.

The City also guarantees debt issued by the Pike Place Market Preservation and Development Authority, the Seattle Indian Services Commission, the Seattle Chinatown/International District Preservation and Development Authority, and the Museum Development Authority. As of December 31, 2016, the guarantees totaled \$48.6 million out of \$841 million outstanding LTGO debt. Guarantees count against the City's LTGO debt capacity.

Revenue Bonds

Revenue bonds are used to provide financing for the capital programs of City Light and the three other utilities - Water, Drainage and Wastewater, and Solid Waste - which are grouped together in Seattle Public Utilities. The City does not pledge its full faith and credit to the payment of debt service on revenue bonds. Payment of principal and interest on the bonds issued by each utility is derived solely from the revenues generated by the issuing utility. No tax revenues are used to pay debt service.

When revenue bonds are sold, the City commits itself to set fees and charges for the issuing utility that will be sufficient to pay all costs of operations and maintenance, and all payments of principal and interest on the bonds. While the amount of revenue bonds is not subject to statutory limits, the utility's ability to repay debt with interest is a practical constraint.

Forms of Debt Authorized by State Law

Table 1 below summarizes the conditions and limitations that apply to the issuance of the general obligation debt issued by the City.

Table 1 - Summary of Conditions and Limitations for City Debt Issuances

Form of Debt	Voter Approval Required	Source of Repayment	Statutory Limitation	Current Limit ¹	Outstanding 12-31-16 ¹
Unlimited Tax General Obligation Bonds (UTGO)					
Parks & Open Space	Yes	Property Tax	2.5% of AV	\$4.7 Billion	\$0
Utility	Yes	Property Tax	2.5% of AV	\$4.7 Billion	\$0
General Purposes	Yes	Property Tax	1.0 % of AV ²	\$1.9 Billion	\$308 Million
Limited Tax General Obligation Bonds (LTGO)	No	Taxes and Other Revenues	1.5% of AV ²	\$2.8 Billion	\$819 Million ³

¹ As of 12/31/16, assuming the latest certified assessed value of \$186.3 billion, issued on January 28, 2017 for taxes payable in 2017.

² The sum of UTGO and LTGO debt for general purposes cannot exceed 2.5% of assessed valuation.

³ Includes \$49 million of PDA debt guarantees.

City Debt Management Policies and Bond Ratings

Debt Service

The use of debt financing by the City is subject to federal and state laws as well as the City's own debt management policies ([Resolution 31553](#)).

The City has earned very high ratings on its bonds as a result of a strong economy and prudent financial practices. The City's UTGO debt is rated Aaa by Moody's Investors Service, AAA by Fitch IBCA, and AAA by Standard & Poor's (S&P), which are the highest possible ratings. The City's LTGO debt is rated Aaa by Moody's, AAA by Fitch, and AAA by S&P. In addition, the City's utilities have very high ratings for revenue debt, reflecting sound finances and good management.

2018 and 2019 Projected Bond Issues

In 2018, the City expects to issue approximately \$72.3 million of limited tax general obligation (LTGO) bonds for a variety of purposes. Table 2 lists the financed projects and other details of the financing plan. Bond proceeds will be deposited into the 2018 Multipurpose Bond Fund. City departments responsible for all or portions of projects in Table 2 will then draw money from this fund as appropriated to implement the projects. The appropriations for those funds are in the respective departments' sections of this budget. Table 3 shows a potential list of projects that may receive debt financing in 2019.

Table 2 - 2018 Multipurpose LTGO Bond Issuance Costs - Informational Only (\$1,000s)

Project	Capital Cost	Approx. Par Amount (1)	Max. Term	Approx. Rate	Debt Service Proposed 2018	Debt Service Estimated 2019	Debt Service Funding Source
Financial IT Upgrades (GF)	1,239	1,276	8	3.5%	33	186	General Fund
Financial IT Side Systems	727	749	8	3.5%	20	109	General Fund
Muni Court IT	5,349	5,509	8	3.5%	145	801	General Fund
Low Income Housing	19,000	19,570	20	5.0%	734	1,570	General Fund
Police IT	1,094	1,127	8	3.5%	30	164	General Fund
Fire Station 32	1,400	1,442	20	4.5%	49	111	REET I
Center City Streetcar (CPT-10%)	6,050	6,232	20	4.5%	210	479	SDOT (CPT-10%) (2)
Seawall - LTGO (CPT-10%)	8,579	8,836	30	5.0%	331	575	SDOT (CPT-10%) (2)
Seawall - LTGO (CPT-2.5%)	6,000	6,180	30	5.0%	232	402	SDOT (CPT-2.5%) (3)
Alaskan Way Corridor (CPT-2.5%)	6,966	7,175	20	4.5%	242	552	SDOT (CPT-2.5%) (3)
CWF Overlook Walk (CPT-2.5%)	3,280	3,378	20	5.0%	127	271	SDOT (CPT-2.5%) (3)
Financial IT Upgrades (FAS)	8,248	8,495	8	3.5%	223	1,236	FAS
King Station TI for Arts	4,400	4,532	10	4.3%	144	566	Arts
Total	72,331	74,501			2,520	7,021	

(1) Includes 3% for costs of issuance and pricing adjustments.

(2) Proceeds from Bridging the Gap - commercial parking tax receipts (original 10%).

(3) Receipts from additional 2.5% commercial parking taxes.

Table 3 - 2019 Multipurpose LTGO Fund Issuance Costs - Informational Only (\$1,000s)

Debt Service

Project	Capital Cost	Approx. Par Amount (1)	Max. Term	Approx. Rate	Debt Service Estimated 2019	Debt Service Estimated 2020	Debt Service Funding Source
Muni Court IT	7,196	7,412	8	3.5%	195	1,078	General Fund
IT Computing Architecture	1,218	1,255	8	3.5%	33	183	SEAIT
IT Data Telephone	622	641	8	3.5%	17	93	SEAIT
IT Enterprise Computing	2,527	2,603	8	3.5%	68	379	SEAIT
Waterfront - Main Corridor (CPT-2.5%)	13,433	13,836	20	4.5%	467	1,064	SDOT (CPT-2.5%) (3)
CWF Overlook Walk (CPT-2.5%)	1,860	1,916	20	5.0%	72	154	SDOT (CPT-2.5%) (3)
Alaskan Way Corridor (CPT-2.5%)	6,000	6,180	20	4.5%	209	475	SDOT (CPT-2.5%) (3)
S. Lander (CPT-10%)	896	922	20	4.5%	31	71	SDOT (CPT-10%) (2)
Center City Streetcar (CPT-10%)	19,331	19,911	20	4.5%	672	1,531	SDOT (CPT-10%) (2)
Total	53,083	54,675			1,763	5,027	

(1) Includes 3% for costs of issuance and pricing adjustments.

(2) Proceeds from Bridging the Gap - commercial parking tax receipts (original 10%).

(3) Receipts from additional 2.5% commercial parking taxes.

Summary of the Following Information Tables on Debt Service

Table 4 includes the estimated \$2.2 million of costs of issuance and pricing adjustments for the 2018 LTGO bond issue.

Table 5 displays the funds used to pay outstanding LTGO debt service, listing issuance year and funding source.

Table 6 displays UTGO debt service.

All tables in this section are for informational purposes only; legal appropriations are included elsewhere in the budget.

Table 4 - 2018 Multipurpose LTGO Fund Issuance Costs - Informational Only (\$1,000s)

Approx. Par Amount	Issuance Costs & Pricing Adjustments	Issuance Cost Proposed 2018
\$74,501	3%	\$2,170

Table 5 - Limited Tax General Obligation Bonds Debt Service by Funding Source

Debt Service

	2017 Adopted	2017 Revised	2018 Endorsed	2018 Proposed
2011 LTGO Bond Fund				
2011 Bond Issue				
Facility Energy Retrofits-DPR	55,150	55,150		
Facility Energy Retrofits-FAS	79,800	79,800		
Rainier Beach Community Center	145,487	145,487		
2011 LTGO Bond Fund Total	280,437	280,437		
Arts				
2017 Bond Issue				
King Street Station TI for Arts	48,668		222,927	144,458
Arts Total	48,668		222,927	144,458
Bond Interest & Redemption Fund - LTGO				
2008 Bond Issue				
Bridge Rehab (BTG)	176,000	176,000		
2009 Bond Issue				
Market 96 Refunding	464,250	464,250	470,125	470,125
Northgate Park	182,700	182,700		
2010A BAB Issue				
Alaskan Way Tunnel / Seawall	114,294	114,294	114,294	114,417
Bridge Rehab (BTG)	394,238	394,238	394,238	394,661
Bridge Seismic (BTG)	157,323	157,323	157,323	157,492
Fire Station Projects	57,977	57,977	57,977	58,039
Golf	7,193	7,193	7,193	7,201
King Street Station (BTG)	6,845	6,845	6,845	6,852
Mercer West (BTG)	156,523	156,523	156,523	156,691
Spokane (BTG)	87,826	87,826	87,826	87,921
2010B Bond Issue				
Training Facilities	126,890	126,890		
2012 Bond Issue				
Joint Training Facility	73,102	73,102		
2013A Bond Issue				
Rainier Beach Community Center	300,000	300,000		
2014 Bond Issue				
Benaroya Hall Equipment	121,675	121,675	122,300	122,300
SCIDPDA-A	174,538	174,538	174,913	174,913
SCIDPDA-B	84,894	84,894	138,519	138,519
South Park Bridge	650,000	650,000		
2015B Bond Issue				
Pike Market PCN	241,788	241,788		
2017 Bond Issue				
SCIDPDA Refunding	148,706	43,570	629,336	539,490
Bond Interest & Redemption Fund - LTGO Total	3,726,761*	3,621,625	2,517,411*	2,428,620

*Total does not include double budgeting (Police IT)

Cumulative Reserve Subfund - REET I

Debt Service

2007 Bond Issue				
Northgate Land Acquisition	147,000	147,000		
2010A BAB Issue				
Fire Station Projects	119,947	119,947	574,947	574,885
2010B Bond Issue				
Fire Station Projects	456,750	456,750		
Westbridge	562,400	562,400	561,150	561,150
2011 Bond Issue				
Seattle Center House	382,300	382,300	382,975	382,975
2013A Bond Issue				
Fire Facilities	835,469	835,469	837,669	837,669
2015A Bond Issue				
Fire Facilities	330,100	330,100	332,850	332,850
Northgate Land Acquisition	87,000	87,000	223,500	223,500
South Precinct				
2016A Bond Issue				
Fire Station 5	129,575	129,575	126,825	126,825
Fire Stations	695,450	695,450	695,575	695,575
2017 Bond Issue				
Fire Station 22	229,805	100,562	523,452	439,250
Fire Station 32	69,525		158,365	
Fire Station 5	149,479	65,475	340,484	287,050
2018X Bond Issue				
Fire Station 32				48,668
Cumulative Reserve Subfund - REET I				
Total	4,194,800	3,912,028	4,757,792	4,510,396
Cumulative Reserve Subfund - REET II				
2007 Bond Issue				
Alaskan Way Tunnel / Seawall	488,250	488,250		
2012 Bond Issue				
Alaskan Way Tunnel / Seawall	355,750	355,750	354,250	354,250
Aquarium Pier 59	1,418,500	1,418,500	1,417,750	1,417,750
Fremont Bridge Approaches	107,250	107,250	103,750	103,750
2015A Bond Issue				
Alaskan Way Viaduct	354,750	354,750	353,500	353,500
Aquarium Pier 59	124,000	124,000	124,875	124,875
Sandpoint				
Cumulative Reserve Subfund - REET II				
Total	2,848,500	2,848,500	2,354,125	2,354,125
Cumulative Reserve Subfund - Unrestricted				
2007 Bond Issue				
Monorail	551,250	551,250		
2010B Bond Issue				
Westbridge				
2012 Bond Issue				
Aquarium Pier 59 Entry	170,500	170,500	175,000	175,000

Debt Service

Cumulative Reserve Subfund -				
Unrestricted Total	721,750	721,750	175,000	175,000
FAS				
2017 Bond Issue				
Financial IT Upgrades (FAS)	441,928	212,731	2,449,150	1,729,000
2018 Bond Issue				
Financial IT Upgrades (FAS)			132,565	223,005
FAS Total	441,928	212,731	2,581,715	1,952,005
Fleets & Facilities Fund				
2008 Bond Issue				
Seattle Municipal Tower & Police Support				
2010B Bond Issue				
City Hall	3,258,913	3,258,913	3,256,413	3,256,413
Civic Center Open Space	382,800	382,800	378,050	378,050
Justice Center	3,287,588	3,287,588	3,238,588	3,238,588
Park 90/5 - 2001	80,003	80,003	81,213	81,213
Seattle Municipal Tower TI	441,000	441,000		
2012 Bond Issue				
City Hall	374,200	374,200	374,200	374,200
Historic Buildings	1,627,500	1,627,500		
Justice Center	374,200	374,200	374,200	374,200
SMT Base	134,000	134,000	134,250	134,250
2013A Bond Issue				
Financial IT Upgrades	1,200,600	1,200,600	1,201,200	1,201,200
2013B Bond Issue				
Park 90/5 Police Support Acquisition	172,113	172,113	172,419	172,419
Seattle Municipal Tower Acquisition	5,804,035	5,804,035	5,805,851	5,805,851
2014 Bond Issue				
Financial IT Upgrades	1,421,375	1,421,375	1,417,125	1,417,125
IT Electronic Records	605,875	605,875	603,500	603,500
SMT Critical Infrastructure	464,500	464,500	463,500	463,500
2015A Bond Issue				
City Hall	766,625	766,625	764,375	764,375
Civic Center Open Space	720,375	720,375	727,625	727,625
Electronic Records	304,125	304,125	306,000	306,000
Justice Center	1,948,125	1,948,125	1,946,500	1,946,500
SeaPark	408,000	408,000	409,500	409,500
Seattle Municipal Tower & Police Support	2,261,546	2,261,546	2,261,546	2,261,546
2016A Bond Issue				
Financial IT Upgrades (FAS)	2,341,500	2,341,500	2,339,000	2,339,000
Park 90/5 Earthquake Repair	217,470	217,470	217,360	217,360
SMT IDT Server Closets	367,125	367,125	368,500	368,500
Fleets & Facilities Fund Total	28,963,592	28,963,592	26,840,915	26,840,915

General Fund

Debt Service

2007 Bond Issue				
Zoo Garage	92,978	92,978		
2008 Bond Issue				
Park 90/5 Police Support Acquisition				
2009 Bond Issue				
Jail	45,250	45,250	44,469	44,469
North Precinct	45,250	45,250	43,250	43,250
Northgate Land Acquisition	283,500	283,500	285,625	285,625
Northgate Park	24,203	24,203	205,958	205,958
Rainier Beach Community Center	515,625	515,625	517,250	517,250
Rainier Beach Community Center (reallocated from NG)	285,723	285,723	284,418	284,418
2010B Bond Issue				
Ballard Neighborhood Center	363,150	363,150	363,650	363,650
McCaw Hall	798,000	798,000		
Park 90/5 - 2001	247,282	247,282	251,022	251,022
Police Training Facilities	212,800	212,800	214,300	214,300
Southwest Precinct	839,700	839,700	836,450	836,450
Training Facilities	260,880	260,880	385,008	385,008
2011 Bond Issue				
Facility Energy Retrofits-CTR	55,850	55,850	58,700	58,700
Facility Energy Retrofits-DPR			53,125	53,125
Facility Energy Retrofits-FAS			76,875	76,875
Rainier Beach Community Center	179,432	179,432	322,144	322,144
2012 Bond Issue				
Joint Training Facility	57,548	57,548	129,000	129,000
Rainier Beach Community Center	448,650	448,650	447,650	447,650
2013A Bond Issue				
B&O IT (Orig Proj)	981,162	981,162	979,524	979,524
City Hall TI (from 2013 B&O)	109,018	109,018	108,836	108,836
Critical Infrastructure - WP/EOC (from 2013 B&O)	467,220	467,220	466,440	466,440
North Precinct	280,306	280,306	279,306	279,306
Rainier Beach Community Center	132,550	132,550	433,350	433,350
Video Mobile Data Terminals	914,000	914,000	915,200	915,200
2013B Bond Issue				
Concert Hall	470,734	470,734	469,592	469,592
Park 90/5 Police Support Acquisition	531,987	531,987	532,932	532,932
2014 Bond Issue				
North Precinct	450,456	450,456	449,456	449,456
South Park Bridge	23,900	23,900	672,525	672,525
2015A Bond Issue				
Convention Center	538,125	538,125		
Park 90/5 Police Support Acquisition	286,000	286,000	286,000	286,000
Sandpoint	691,875	691,875		
SLU Streetcar	125,250	125,250	125,125	125,125
South Park Bridge	339,025	339,025	336,650	336,650
South Precinct	295,000	295,000	296,625	296,625
Zoo Garage	54,250	54,250	137,125	137,125
2015B Bond Issue				

Debt Service

Pike Market PCN	1,705,524	1,705,524	1,946,347	1,946,347
2016A Bond Issue				
Alaska Way Corridor (GF)	321,325	321,325	319,450	319,450
Financial IT Upgrades (GF)	582,500	582,500	586,875	586,875
Jail	42,150	42,150	42,150	42,150
North Precinct	391,875	391,875	394,375	394,375
Northgate Land Acquisition	160,200	160,200	160,200	160,200
Park 90/5 Earthquake Repair	672,180	672,180	671,840	671,840
2016B Bond Issue				
Pike Market PCN	393,031	393,031	394,931	394,931
2017 Bond Issue				
Financial IT Side Systems	46,535	28,161	257,894	229,000
Financial IT Upgrades (GF)	71,138	39,578	394,243	324,000
Housing	1,232,138		2,055,217	
Mercer Arena	166,860	56,340	380,076	328,048
Muni Court IT	67,594	40,910	374,602	332,500
Police IT	29,586		163,963	
2018 Bond Issue				
Financial IT Side Systems			18,545	19,654
Financial IT Upgrades (GF)			35,717	33,495
Muni Court IT			178,448	144,624
Police IT				29,579
Low Income Housing				733,875
General Fund Total	17,329,314	15,880,452	19,382,452	17,698,522
Information Technology Fund				
2013A Bond Issue				
Data Center	286,050	286,050	282,250	282,250
2014 Bond Issue				
Data Center Long	877,650	877,650	876,400	876,400
Data Center Short	3,670,500	3,670,500	3,674,250	3,674,250
IT Computing Architecture	203,750	203,750	204,500	204,500
IT Enterprise	436,125	436,125	436,375	436,375
2015A Bond Issue				
Data Center Short	1,059,750	1,059,750	1,059,125	1,059,125
IT Enterprise	238,500	238,500	238,250	238,250
IT Service Tools	512,000	512,000	510,000	510,000
2016A Bond Issue				
Data Center Long	224,500	224,500	222,375	222,375
2017 Bond Issue				
Sea Muni Twr TI	129,780	77,158	594,473	522,750
Information Technology Fund Total	7,638,605	7,585,983	8,097,998	8,026,275
Library Fund				
2012 Bond Issue				
Library Garage	403,000	403,000	400,000	400,000
Library IT	152,250	152,250		
Library Fund Total	555,250	555,250	400,000	400,000

Debt Service

Parks & Recreation Fund

2010A BAB Issue				
Golf	14,882	14,882	69,882	69,874
2010B Bond Issue				
Golf	57,750	57,750		
Interbay Golf Facilities	388,150	388,150	387,650	387,650
Westbridge	120,000	120,000	120,000	120,000
2011 Bond Issue				
Golf	160,450	160,450	161,050	161,050
2012 Bond Issue				
Golf	285,900	285,900	283,900	283,900
Magnuson Bldg 30	311,500	311,500	316,000	316,000
2013A Bond Issue				
Golf	120,613	120,613	118,013	118,013
2013B Bond Issue				
Magnuson Bldg 11	547,378	547,378	547,650	547,650
Magnuson Bldg 30	489,060	489,060	489,833	489,833
2014 Bond Issue				
Golf	376,863	376,863	372,738	372,738
2015A Bond Issue				
Golf	137,550	137,550	134,550	134,550
Parks & Recreation Fund Total	3,010,094	3,010,094	3,001,264	3,001,257

Seattle Center Fund

2012 Bond Issue				
McCaw Hall (long)	125,250	125,250	125,750	125,750
Seattle Center Fund Total	125,250	125,250	125,750	125,750

SPU Drainage & Wastewater Fund

2008 Bond Issue				
Seattle Municipal Tower & Police Support				
2010B Bond Issue				
Park 90/5 - 2001	10,910	10,910	11,075	11,075
Training Facilities	20,529	20,529	20,383	20,383
2012 Bond Issue				
Joint Training Facility	7,150	7,150	7,900	7,900
2013B Bond Issue				
Park 90/5 Police Support Acquisition	23,470	23,470	23,512	23,512
2015A Bond Issue				
Seattle Municipal Tower & Police Support	11,515	11,515	11,515	11,515
2016A Bond Issue				
Park 90/5 Earthquake Repair	29,655	29,655	29,640	29,640
SPU Drainage & Wastewater Fund Total	103,229	103,229	104,024	104,024

SPU Solid Waste Fund

2008 Bond Issue				
Seattle Municipal Tower & Police Support				

Debt Service

2010B Bond Issue				
Park 90/5 - 2001	6,000	6,000	6,091	6,091
Training Facilities	11,291	11,291	11,211	11,211
2012 Bond Issue				
Joint Training Facility	4,150	4,150	4,000	4,000
2013B Bond Issue				
Park 90/5 Police Support Acquisition	15,647	15,647	15,674	15,674
2015A Bond Issue				
Seattle Municipal Tower & Police Support	6,909	6,909	6,909	6,909
2016A Bond Issue				
Park 90/5 Earthquake Repair	19,770	19,770	19,760	19,760
SPU Solid Waste Fund Total	63,767	63,767	63,645	63,645
<hr/>				
SPU Water Fund				
<hr/>				
2008 Bond Issue				
Seattle Municipal Tower & Police Support				
2010B Bond Issue				
Park 90/5 - 2001	19,455	19,455	19,750	19,750
Training Facilities	36,610	36,610	36,349	36,349
2012 Bond Issue				
Joint Training Facility	12,800	12,800	13,350	13,350
2013B Bond Issue				
Park 90/5 Police Support Acquisition	39,117	39,117	39,186	39,186
2015A Bond Issue				
Seattle Municipal Tower & Police Support	23,030	23,030	23,030	23,030
2016A Bond Issue				
Park 90/5 Earthquake Repair	49,425	49,425	49,400	49,400
SPU Water Fund Total	180,437	180,437	181,065	181,065
<hr/>				
Transportation Fund				
<hr/>				
2007 Bond Issue				
Mercer (from zoo bonds) (CPT-10%)	752,273	752,273		
2008 Bond Issue				
Bridge Rehab (CPT-10%)	11,500	11,500		
Bridge Rehab (REET I)			189,000	189,000
Bridge Seismic (CPT-10%)	71,750	71,750	73,500	73,500
King Street Station (CPT-10%)	154,250	154,250	152,250	152,250
Lander (CPT-10%)	249,750	249,750	283,500	283,500
Mercer (CPT-10%) (Orig Project)	3,486,741	3,486,741	4,000,217	4,000,217
Spokane (CPT-10%)	816,500	816,500	939,750	939,750
Arterial Asphalt and Concrete (from 2008 Mercer) (CPT-10%)	361,759	361,759	415,034	415,034
2009 Bond Issue				
Bridge Rehab (CPT-10%)	645,750	645,750		
Bridge Rehab (REET I)			646,500	646,500
King Street Station (CPT-10%)	84,625	84,625	80,875	80,875
Spokane (CPT-10%)	1,857,750	1,857,750	1,858,625	1,858,625

Debt Service

Spokane (CPT-10%) (Redirected from Jail)	135,750	135,750	133,406	133,406
Alaskan Way Tunnel / Seawall (GF)	204,000	204,000	204,750	204,750
2010A BAB Issue				
Bridge Rehab (CPT-10%)	815,637	815,637	2,515,637	2,090,214
Bridge Rehab (GF)				425,000
Bridge Seismic (CPT-10%)	325,485	325,485	1,005,485	1,005,316
King Street Station (CPT-10%)	14,162	14,162	44,162	44,155
Mercer (CPT-10%) (Orig Proj)				
Mercer West (CPT-10%)	240,974	240,974	740,974	740,848
Mercer West (CPT-10%) (from 2010A BABS Mercer)	82,855	82,855	257,855	257,812
Spokane (CPT-10%)	181,703	181,703	561,703	561,609
Alaskan Way Tunnel/Seawall (GF)	236,463	236,463		
Alaskan Way Tunnel/Seawall (CPT-2.5%)			451,000	451,000
Alaskan Way Tunnel/Seawall (REET I)			265,463	265,340
2010B Bond Issue				
23rd Ave (CPT-10%) (from 2010B Mercer)	53,235	53,235		
Bridge Rehab (CPT-10%)	333,500	333,500		
Bridge Rehab (REET I)	1,000,000	451,000		
Bridge Seismic (CPT-10%)	535,500	535,500		
King Street Station (CPT-10%)	26,250	26,250		
Mercer (CPT-10%) (Orig Proj)	83,265	83,265		
Mercer West (CPT-10%)	393,750	393,750		
Spokane (CPT-10%)	299,250	299,250		
Alaskan Way Tunnel / Seawall (GF)	451,000	32,000		
Alaskan Way Tunnel / Seawall (CPT-2.5%)	32,000	1,000,000		
2011 Bond Issue				
23rd Ave (Rdcd for MW (CPT-10%) (from 2011 Spokane))	400,103	400,103	399,192	399,192
AAC Northgate (CPT-10%) (from 2011 Spokane)	322,950	322,950	322,215	322,215
Arterial Asphalt & Concrete (from 2011 Spokane (CPT-10%))	31,988	31,988	31,915	31,915
Arterial Asphalt & Concrete (from Linden (CPT-10%) (from 2011 Spokane))	19,119	19,119	19,075	19,075
AWV - Parking/Prgm Mgt (CPT-2.5%)	283,175	283,175	282,575	282,575
Bridge Rehab (CPT-10%)	116,935	116,935		
Bridge Rehab (CPT-10%) (from 2011 Spokane)	145,328	145,328		
Bridge Rehab (REET I) (from 2011 Spokane)		136,569		144,997
Bridge Rehab (REET I)		416,581	261,536	116,539
Bridge Seismic (CPT-10%)	136,569	177,623	138,294	138,294
Bridge Seismic (CPT-10%) (from 2011 Bridge Rehab)	416,581	80,738	415,170	415,170

Debt Service

Bridge Seismic (CPT-10%) (from 2011 Spokane)	177,623	288,119	177,218	177,218
Chesiahud (CPT-10%) (from 2011 Spokane)	80,738	110,061	80,554	80,554
King Street Station (CPT-10%)	288,119	579,069	286,244	286,244
Linden (CPT-10%) (Rdcd for AA - from 2011 Spokane)	110,061	197,328	109,811	109,811
Mercer West (CPT-2.5%)	579,069	145,328	580,194	580,194
Mercer West (CPT-2.5%) (from 2011 Bridge Rehab - BTG)	197,328	19,732	196,660	196,660
Mercer West (CPT-2.5%) (from 2011 Spokane)	145,328	887,100	144,997	144,997
Mercer West (from 23rd (CPT-10%) (from 2011 Spokane))	19,732	80,738	19,687	19,687
Seawall (CPT-2.5%)	887,100	81,044	890,775	890,775
Sidewalks (CPT-10%) (from 2011 Spokane)	80,738		80,554	80,554
Spokane (Rdcd for AAC (CPT-10%) (Orig Proj))	81,044		80,860	80,860
2012 Bond Issue				
AWV - Parking/Prgm Mgt	322,250	322,250	325,250	325,250
Linden (CPT-10%)	410,350	410,350	408,100	408,100
Mercer (CPT-10%) (Orig Proj)				
Mercer West (CPT-2.5%) (from 2012 Mercer)	335,150	335,150	331,900	331,900
Seawall (CPT-2.5%)	184,950	184,950	185,450	185,450
SR 519 (GF)	190,750	190,750	23,963	23,963
SR 519 (REET I)			170,037	170,037
2015A Bond Issue				
Alaska Way Corridor (CPT-2.5%)	281,100	281,100	279,975	279,975
Bridge Rehab (CPT-10%)	111,250	111,250	89,411	89,411
Bridge Rehab (CPT-10%)	343,125	343,125		
Bridge Rehab (REET I)			367,464	367,464
Bridge Seismic (CPT-10%)	44,000	44,000	44,000	44,000
CWF Overlook (CPT-2.5%)	93,550	93,550	91,550	91,550
King Street Station (CPT-10%)	92,500	92,500	92,500	92,500
Lander (CPT-10%)	62,250	62,250	62,250	62,250
Mercer (CPT-10%) (Orig Project)	850,500	850,500	850,500	850,500
Spokane (CPT-10%)	201,500	201,500	201,500	201,500
Mercer (from zoo bonds) (CPT-10%)	440,250	440,250	1,117,875	1,117,875
Arterial Asphalt and Concrete (from 2008 Mercer) (CPT-10%)	88,250	88,250	88,250	88,250
2016A Bond Issue				
23rd Ave Corridor (CPT-10%)	505,250	505,250	504,500	504,500
Alaska Way Corridor (CPT-2.5%)	875,925	875,925	877,175	877,175
Bridge Rehab (BTG)	362,500	362,500	362,500	362,500
King Street Station (BTG)	41,250	41,250	41,250	41,250
Seawall (CPT-2.5%)	538,375	538,375	536,875	536,875
Spokane (BTG)	285,500	285,500	285,500	285,500
Spokane (BTG) (Redirected from Jail)	125,900	125,900	125,900	125,900
Transit Corridor	61,225	61,225	59,975	59,975

Debt Service

Parking Pay Stations (GF)	464,500	464,500		
Parking Pay Stations (BTG CPT 10%)	1,000,000	1,000,000	1,464,500	1,464,500
2017 Bond Issue				
23rd Ave Corridor (CPT-10%)	57,376	25,136	130,692	111,050
Alaska Way Corridor (CPT-2.5%)	219,245	90,877	483,419	398,800
Bridge Rehab (CPT-10%)	182,383	79,803	415,434	349,700
City Center Streetcar (CPT-10%)	163,419	71,544	372,237	313,000
CWF Overlook (CPT-2.5%)	126,729	38,536	271,174	226,263
Seawall LTGO (CPT-10%)	1,175,025	451,986	2,038,322	1,627,700
2018 Bond Issue				
Alaska Way Corridor (CPT-2.5%)			242,156	242,154
City Center Streetcar (CPT-10%)			556,200	210,313
CWF Overlook (CPT-2.5%)			114,021	126,690
Seawall LTGO (CPT-10%)			331,350	331,350
Seawall LTGO (CPT-2.5%)			231,750	231,750
Transportation Fund Total	28,693,379	27,527,083	33,512,116	32,493,145
Grand Total	98,925,760	95,592,206	104,318,199	100,499,201

Table 6 - Unlimited Tax General Obligation Bonds Debt Service

	2017 Revised	2018 Proposed	2019 Estimate
1998 A UTGO Bond Issue	292,481		
Refunding	292,481		
2007 UTGO Bond Issue	319,919	0	
Library	319,919	0	
2012 UTGO Bond Issue	6,446,250	6,448,750	6,453,500
Library & Refunding	6,446,250	6,448,750	6,453,500
2013 UTGO Bond Issue	2,991,000	2,991,000	2,989,400
Seawall	2,991,000	2,991,000	2,989,400
2014 UTGO Bond Issue	964,400	966,200	967,400
Seawall	964,400	966,200	967,400
2015 UTGO Bond Issue	10,129,500	10,132,500	10,132,750
Seawall	10,129,500	10,132,500	10,132,750
2016 UTGO Bond Issue	2,342,871	2,224,750	2,225,750
Seawall	2,342,871	2,224,750	2,225,750
2017 UTGO Bond Issue	7,693,755	7,612,500	
Refunding	7,693,755	7,612,500	
Grand Total	31,180,176	30,375,700	22,768,800

Debt Service

Incremental Budget Changes

Debt Service

	2018	
	Budget	FTE
Total 2018 Endorsed Budget	\$ 35,080,412	0.00
Baseline Changes		
Adjustment for One-Time Adds or Reductions	-\$ 106,151	0.00
Total Incremental Changes	-\$ 106,151	0.00
2018 Proposed Budget	\$ 34,974,261	0.00

Descriptions of Incremental Budget Changes

Baseline Changes

Adjustment for One-Time Adds or Reductions - (\$106,151)

This item includes one-time debt service adjustments to reflect actual debt service after 2017 bond issuance.

Expenditure Overview

Appropriations	Summit Code	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Bond Interest and Redemption Budget Control Level	DEBTBIRF	1,835,380	3,756,239	2,680,775	2,428,620
Debt Issuance Costs - LTGO Budget Control Level	DEBTISSUE-L	429,946	3,128,500	1,630,037	2,169,941
Debt Issuance Costs - UTGO Budget Control Level	DEBTISSUE-U	204,278	0	0	0
UTGO Debt Service Budget Control					
UTGO - Bond Interest and Redemption		28,852,731	31,181,340	30,769,600	30,375,700
Total	DEBTUTGO	28,852,731	31,181,340	30,769,600	30,375,700
Department Total		31,322,335	38,066,079	35,080,412	34,974,261
Department 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 Human Resources Director actions outside of the budget process may not be detailed here.

Debt Service

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 make certain debt service payments through the Bond Interest and Redemption Fund (BIRF).

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Bond Interest and Redemption	1,835,380	3,756,239	2,680,775	2,428,620
Total	1,835,380	3,756,239	2,680,775	2,428,620

Debt Issuance Costs - LTGO Budget Control Level

The purpose of the Debt Issuance Costs - LTGO Budget Control Level is to pay debt issuance costs related to Multipurpose Limited Tax General Obligation (LTGO) Debt Issuance.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Debt Issuance Costs - LTGO	429,946	3,128,500	1,630,037	2,169,941
Total	429,946	3,128,500	1,630,037	2,169,941

Debt Issuance Costs - UTGO Budget Control Level

The purpose of the Debt Issuance Costs - UTGO Budget Control Level is to pay debt issuance costs related to the Unlimited Tax General Obligation (UTGO) Debt Issuance.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Debt Issuance Costs -UTGO	204,278	0	0	0
Total	204,278	0	0	0

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.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
UTGO - Bond Interest and Redemption	28,852,731	31,181,340	30,769,600	30,375,700
Total	28,852,731	31,181,340	30,769,600	30,375,700

Fiber Leasing Fund

Michael Mattmiller, Director & Chief Technology Officer

(206) 684-0600

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

Department Overview

In 1995, the City Council passed Ordinance [117981](#), authorizing fiber installation project cost sharing agreements between City departments and other governmental and public educational agencies and institutions. Since then, approximately 20 government and public education agencies, known collectively as the "Fiber Partnership," have implemented more than 300 fiber optic projects to install more than 550 miles of fiber optic cable in the greater Seattle area. The Seattle Information Technology Department (Seattle IT) acts as the lead agency in the partnership and manages the program.

In 2012, the City passed Ordinance [123931](#), authorizing Seattle IT to lease excess capacity on the fiber optic network to private parties. The Fiber Leasing Fund was created to manage the operating, maintenance, and capital costs of those agreements.

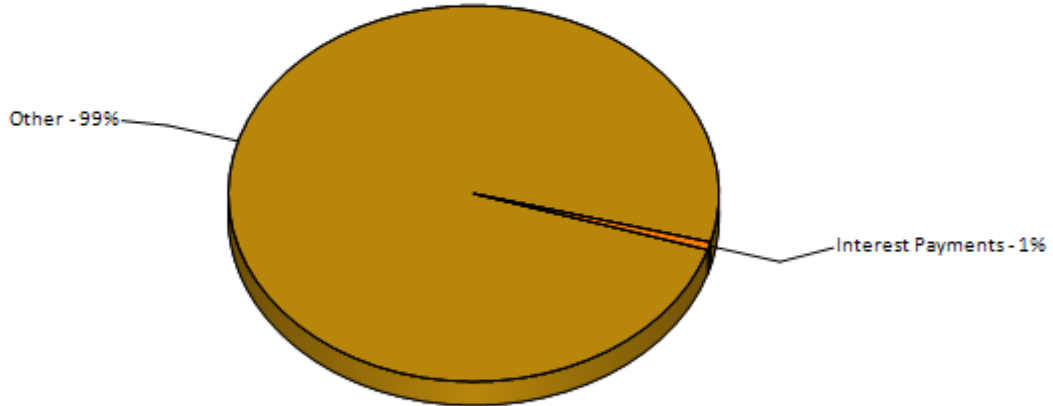
Budget Snapshot

Department Support	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Other Funding - Operating	\$721	\$155,000	\$155,000	\$155,000
Total Operations	\$721	\$155,000	\$155,000	\$155,000
Total Appropriations	\$721	\$155,000	\$155,000	\$155,000
Full-time Equivalent Total*	0.00	0.00	0.00	0.00

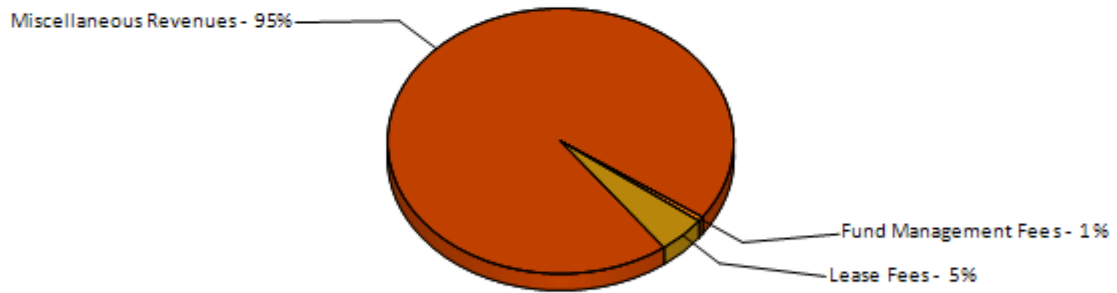
* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

Fiber Leasing Fund

2018 Proposed Budget - Expenditure by Category



2018 Proposed Budget - Revenue by Category



Fiber Leasing Fund

Budget Overview

The 2018 Proposed Budget does not include any changes to the Fiber Leasing Fund.

Seattle IT needed to write-off uncollectable debt which will result in a projected negative fund balance of less than \$5,000 in the Fiber Leasing Fund in 2018. Seattle IT will undertake an assessment of the long term viability and need for this fund in 2018 and make recommendations for its future.

Incremental Budget Changes

Fiber Leasing Fund

	2018	
	Budget	FTE
Total 2018 Endorsed Budget	\$ 155,000	0.00
2018 Proposed Budget	\$ 155,000	0.00

Expenditure Overview

Appropriations	Summit Code	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Fiber Leasing Fund Budget Control Level	FBRL100	721	155,000	155,000	155,000
Department Total		721	155,000	155,000	155,000
Department 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 Human Resources Director actions outside of the budget process may not be detailed here.

Fiber Leasing Fund

Revenue Overview

2018 Estimated Revenues

Summit Code	Source	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
442810	Fund Management Fees	882	889	896	896
	Total Fund Management Fees	882	889	896	896
462900	Lease Fees	0	7,091	7,162	7,162
	Total Lease Fees	0	7,091	7,162	7,162
461110	Miscellaneous Revenues	3	150,000	150,000	150,000
	Total Miscellaneous Revenues	3	150,000	150,000	150,000
	Total Revenues	885	157,980	158,058	158,058
379100	Use of (Contributions to) Fund Balance	-164	-2,980	-3,058	-3,058
	Total Use of (Contributions to) Fund Balance	-164	-2,980	-3,058	-3,058
	Total Resources	721	155,000	155,000	155,000

Appropriations By Budget Control Level (BCL) and Program

Fiber Leasing Fund Budget Control Level

The purpose of the Fiber Leasing Budget Control Level is to account for revenues, expenditures, assets, and liabilities associated with agreements with private parties for the use of the City's Excess Fiber and Fiber Infrastructure.

	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Program Expenditures				
Fiber Leasing Fund	721	155,000	155,000	155,000
Total	721	155,000	155,000	155,000

Fiber Leasing Fund

Fiber Leasing Fund Table

Fiber Leasing Fund

	2016 Actuals	2017 Adopted	2017 Revised	2018 Endorsed	2018 Proposed
Beginning Fund Balance	-11,046	11,619	-10,882	14,599	-7,902
Accounting and Technical Adjustments	0	0	0	0	0
Plus: Actual and Estimated Revenues	885	157,980	157,980	158,058	158,058
Less: Actual and Budgeted Expenditures	721	155,000	155,000	155,000	155,000
Ending Fund Balance	-10,882	14,599	-7,902	17,657	-4,844
Ending Unreserved Fund Balance	-10,882	14,599	-7,902	17,657	-4,844

Fiscal Reserves

Ben Noble, Director

(206) 615-1962

Department Overview

The State of Washington permits the City to maintain two financial reserves to draw upon in the event of certain unanticipated expenditure or revenue pressures. Under the authority of RCW 35.32A.060, the City maintains the Emergency Subfund (ESF) of the General Fund. The ESF is the principal reserve for the City to draw upon when certain unanticipated expenses occur during the fiscal year. Eligible expenses include costs related to storms or other natural disasters. State law limits the amount of money the City can set aside in this reserve to 37.5 cents per \$1,000 of assessed value of property within the city.

Under the authority of RCW 35.21.070, the City maintains a second financial reserve called the Revenue Stabilization Account (RSA) of the Cumulative Reserve Subfund, also known as the Rainy Day Fund. The RSA provides resources for the City to draw upon to maintain City services in the event of a sudden, unanticipated shortfall in revenue due to economic downturns or other factors. City code limits the amount set aside in this reserve to five percent of General Subfund tax receipts. Ordinance 123743 requires the City to deposit an amount equivalent to 0.5% of General Subfund tax revenues into the RSA, with some limited exceptions. In addition, City policy requires the deposit of 50% of any unplanned year-end fund balance in the General Subfund into the RSA. The RSA has a fund balance cap equal to five percent of total annual General Fund tax revenue.

Budget Overview

The 2018 Proposed Budget continues to protect the City's fiscal reserves and embraces strong and prudent financial management practices. Maintaining healthy and appropriate reserve levels is critical in ensuring the City is financially well prepared to address unexpected revenue or expenditure pressures, especially as economic conditions have become more volatile.

Emergency Subfund (ESF)

State law allows the City to maintain an emergency reserve at a maximum statutory-authorized level of 37.5 cents per \$1,000 of assessed property value in the city. The City's practice had been to fully fund the emergency reserve to this maximum limit. However, over that past several years assessed values have undergone significant growth and are expected to continue at a rate that far outpaces the projected City's revenue growth rate. While perhaps good news from an economic standpoint, these increasing assessed values do not translate into a proportional increase in City property tax revenues. In that context, and in recognition of the need for resources to be directed toward related social services in response to the homelessness crisis, in 2017 the City modified the existing financial policies for the ESF to establish a minimum balance of \$60 million, and to adjust that level each year with the rate of inflation. This implies that the ESF would continue to grow, but at somewhat lower rate than under the previous policy. This policy change strikes a balance between ensuring that resources will be available to address unanticipated expenditures and making resources available to address current needs.

Success of Rainy Day Funding Enhancements (RSA)

The City adopted significant RSA funding enhancements in 2011 via Ordinance 123743. These changes enabled the City to rebuild the Rainy Day Fund reserves that had been spent down in 2009 and 2010 in the midst of the Great Recession. The new policies facilitated the rebuilding of this reserve fund from a low of \$10.5 million in

Fiscal Reserves

2010 to the proposed level of \$54.1 million by 2018. The \$54.1 million also represents an historical high for this fund. The 2018 contributions are driven by General Fund revenue growth as the fund reached the policy cap in 2015.

Revenue Overview

2018 Estimated Revenues

Summit Code	Source	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
485110	Oper Tr In-Fr General Fund	2,223,941	2,777,744	1,868,939	3,850,594
485110	Oper Tr In-Fr General Fund	5,807,324	1,697,861	1,521,358	1,542,358
	Total Oper Tr In Fr GF	8,031,265	4,475,605	3,390,297	5,392,952
Total Revenues		8,031,265	4,475,605	3,390,297	5,392,952
379100	Use of (Contribution to) Fund Balance	-2,223,941	-2,777,744	-1,868,939	-3,850,594
379100	Use of (Contribution to) Fund Balance	-5,807,324	-1,697,861	-1,521,358	-1,542,358
	Total Use of Fund Balance	-8,031,265	-4,475,605	-3,390,297	-5,392,952
Total Resources		0	0	0	0

Fiscal Reserves

Fiscal Reserves Fund Table

Cumulative Reserve Subfund, Revenue Stabilization Account (00166)

	2016 Actuals	2017 Adopted	2017 Revised	2018 Endorsed	2018 Proposed
Beginning Fund Balance	45,222,783	47,446,724	47,446,724	50,224,468	50,224,468
Accounting and Technical Adjustments	0	0	0	0	0
Plus: Actual and Estimated Revenues	2,223,941	2,777,744	2,777,744	1,868,939	3,850,594
Ending Fund Balance	47,446,724	50,224,468	50,224,468	52,093,407	54,075,062
Ending Unreserved Fund Balance	47,446,724	50,224,468	50,224,468	52,093,407	54,075,062

Emergency Subfund (00185)

	2016 Actuals	2017 Adopted	2017 Revised	2018 Endorsed	2018 Proposed
Beginning Fund Balance	54,197,699	60,000,000	60,005,023	61,697,861	61,702,884
Accounting and Technical Adjustments	0	0	0	0	0
Plus: Actual and Estimated Revenues	5,807,324	1,697,861	1,697,861	1,521,358	1,542,358
Ending Fund Balance	60,005,023	61,697,861	61,702,884	63,219,219	63,245,242
Ending Unreserved Fund Balance	60,005,023	61,697,861	61,702,884	63,219,219	63,245,242

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 revenues from the General Fund and the utilities (Seattle City Light and Seattle Public Utilities) to pay the judgments, settlements, claims and other eligible expenses. Unused balances, if any, remain in the fund and may reduce the contribution required in succeeding years.

The 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.

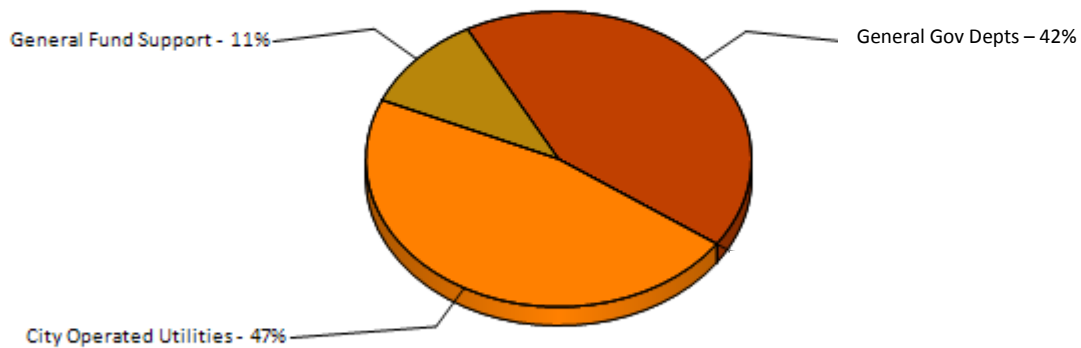
Budget Snapshot

Department Support	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Other Funding - Operating	\$21,179,835	\$16,349,816	\$15,219,979	\$16,619,979
Total Operations	\$21,179,835	\$16,349,816	\$15,219,979	\$16,619,979
Total Appropriations	\$21,179,835	\$16,349,816	\$15,219,979	\$16,619,979
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 Human Resources Director actions outside of the budget process may not be detailed here.

Judgment/Claims

2018 Proposed Budget - Revenue by Category



Budget Overview

The Risk Management Division of the Department of Finance and Administrative Services, the City Budget Office, and the Law Department monitor the City's potential risk liabilities as well as the financial health of the Judgment/Claims (J/C) Subfund. The 2018 Proposed Budget is based on the recommendations of these departments.

The 2017 Adopted and 2018 Endorsed Budget were developed using a five-year rolling average of expenditures from 2012-2015 per [Resolution 30386](#) where annual expenditures ranged from \$8 million to \$10 million. Starting in 2016, expenditures were showing a higher trend in the settlement and judgments in tort cases and the use of outside counsel, which is continuing in 2017. Expenditures in 2018 are expected to continue this trend. In 2017, an additional \$12 million will be appropriated through the 3rd Quarter Supplemental Budget Ordinance to cover expenditures that are anticipated to occur before year end. The 2018 Proposed Budget appropriates an additional \$1.4 million to cover the increased expenditures that are now anticipated for 2018.

In the first quarter of 2018, the City Budget Office will coordinate a comprehensive review (with the Law Department, Council Central Staff and Risk Management) of the current J/C Policies adopted through Resolution 30386. The existing policies date to 2001, and the proposed review will touch on all elements of these policies, including how the fund is budgeted, limits on the accumulation of fund balance, policy, and risk mitigation.

The fund must retain \$6.5 million in fund balance to meet a Washington state reserve related to contract indemnifications.

Judgment/Claims

Incremental Budget Changes

Judgment/Claims

	2018	
	Budget	FTE
Total 2018 Endorsed Budget	\$ 15,219,979	0.00
Proposed Changes		
Increase due to extraordinary expenditures	\$ 1,400,000	0.00
Total Incremental Changes	\$ 1,400,000	0.00
2018 Proposed Budget	\$ 16,619,979	0.00

Descriptions of Incremental Budget Changes

Proposed Changes

Increase due to extraordinary expenditures - \$1,400,000

The 2017 Adopted and 2018 Endorsed Budget were developed using a five-year rolling average of expenditures from 2012-2015 per [Resolution 30386](#) where annual expenditures ranged from \$8 million to \$10 million. Starting in 2016, expenditures were showing a higher trend in the settlement and judgments in tort cases and the use of outside counsel, which is continuing in 2017. Expenditures in 2018 are expected to continue this trend. In 2017, an additional \$12 million will be appropriated through the 3rd Quarter Supplemental Budget Ordinance to cover expenditures that are anticipated to occur before year end. The 2018 Proposed Budget appropriates an additional \$1.4 million to cover the increased expenditures that are now anticipated for 2018.

Judgment/Claims

Expenditure Overview

Appropriations	Summit Code	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Claim Expenses Budget Control Level	00126-CJ000	5,860,983	3,785,792	3,524,179	3,524,179
General Legal Expenses Budget Control Level	00126-JR010	82,584	94,878	88,321	88,321
Litigation Expenses Budget Control Level	00126-JR000	13,529,077	11,265,018	10,486,561	11,886,561
Police Action Expenses Budget Control Level	00126-JR020	1,707,192	1,204,128	1,120,918	1,120,918
Department Total		21,179,835	16,349,816	15,219,979	16,619,979
Department Full-time Equivalents 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 Human Resources Director actions outside of the budget process may not be detailed here.

Revenue Overview

2018 Estimated Revenues

Summit Code	Source	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
544730	Payments from City-Operated Utilities	6,998,736	7,781,749	7,781,749	7,781,749
	Total City Operated Utilities	6,998,736	7,781,749	7,781,749	7,781,749
587001	General Subfund Support	620,842	416,820	361,854	1,761,854
	Total General Fund Support	620,842	416,820	361,854	1,761,854
544730	Payments from General Government Departments	8,156,607	8,151,247	7,076,376	7,076,376
	Total General Govt Depts	8,156,607	8,151,247	7,076,376	7,076,376
499999	Miscellaneous Revenue	120,606	0	0	0
	Total Miscellaneous Revenue	120,606	0	0	0
Total Revenues		15,896,791	16,349,816	15,219,979	16,619,979
379100	Use of Fund Balance	5,283,044	0	0	0
	Total Use of Fund Balance	5,283,044	0	0	0
Total Resources		21,179,835	16,349,816	15,219,979	16,619,979

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.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Claim Expenses	5,860,983	3,785,792	3,524,179	3,524,179
Total	5,860,983	3,785,792	3,524,179	3,524,179

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.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
General Litigation	82,584	94,878	88,321	88,321
Total	82,584	94,878	88,321	88,321

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.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Settlement and Judgment Expenses	13,529,077	11,265,018	10,486,561	11,886,561
Total	13,529,077	11,265,018	10,486,561	11,886,561

Judgment/Claims

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.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Police Action Expenses	1,707,192	1,204,128	1,120,918	1,120,918
Total	1,707,192	1,204,128	1,120,918	1,120,918

Judgment/Claims

Judgment/Claims Fund Table

Judgment/Claims Subfund (00126)

	2016 Actuals	2017 Adopted	2017 Revised	2018 Endorsed	2018 Proposed
Beginning Fund Balance	8,764,664	7,574,000	3,481,620	7,574,000	3,481,620
Accounting and Technical Adjustments	0	0	0	0	0
Plus: Actual and Estimated Revenues	15,896,791	16,349,816	16,349,816	15,219,979	16,619,979
Less: Actual and Budgeted Expenditures	21,179,835	16,349,816	16,349,816	15,219,979	16,619,979
Ending Fund Balance	3,481,620	7,574,000	3,481,620	7,574,000	3,481,620
Ending Unreserved Fund Balance	3,481,620	7,574,000	3,481,620	7,574,000	3,481,620

School Safety Traffic and Pedestrian Improvement Fund

Scott Kubly, Director

(206) 684-5000

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

Department Overview

The School Safety Traffic and Pedestrian Improvement Fund (SSTPIF) is the new name of the School Zone Fixed Automatic Camera Fund. The School Zone Fixed Automated Cameras Fund (SZFAC), which was created by Ordinance 124230, began in 2014 to separately account for revenues generated by the school zone fixed automated cameras. In November of 2015, Council passed Ordinance 124907, which dedicated 10% of City revenues from automated traffic safety cameras (also known as red-light cameras) for pedestrian and traffic safety improvements in school zones and renamed the SZFAC to reflect this new revenue source. In November of 2016, Council passed ordinance 125207 adopting the 2017 budget which increases the amount of red light camera revenue dedicated to the SSTPI fund from 10% of revenue to 20%.

The City uses fixed automated cameras to encourage reduced vehicle speeds and improved safety for school children and other pedestrians in school zones. Specific financial policies govern the use of revenues generated from either camera fines or civil penalties, as follows:

- school traffic and pedestrian safety and directly related infrastructure projects;
- pedestrian, bicyclist, and driver education campaigns; and
- installation, administrative, enforcement, operations and maintenance costs associated with the fixed automated cameras in and around school zones.

The Director of the Seattle Department of Transportation (SDOT) administers the fund. In 2012, SDOT worked with the Seattle Police Department to install eight fixed automated cameras on flashing beacons in four elementary school zones in Seattle. At the end of 2016, the City operated a total of 28 cameras in 14 school zones. SDOT did not install additional cameras in 2017. SDOT collected speed data at more than 130 schools in the first quarter of 2016, and, based on the preliminary findings of that study, the department will evaluate the feasibility of up to 11 locations for school camera siting. The department estimates that it will winnow the list of these candidate locations and may add up to 10 additional cameras, two per site, in 2018.

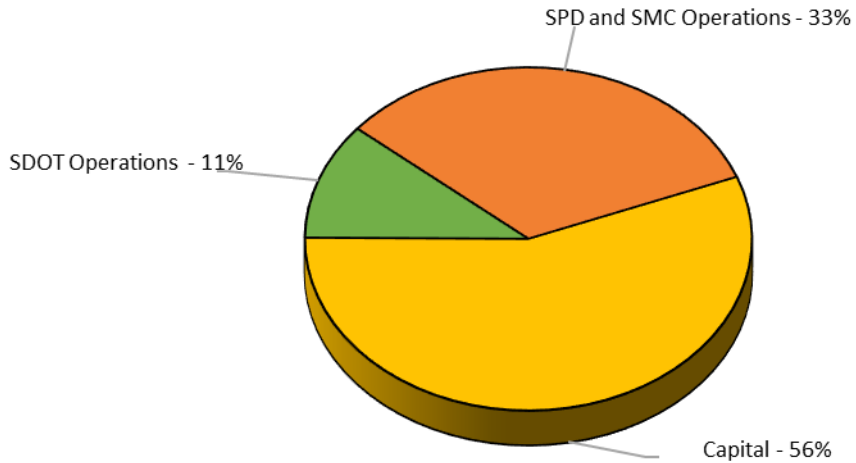
School Safety Traffic and Pedestrian Improvement Fund

Budget Snapshot

Department Support	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Other Funding - Operating	\$6,716,642	\$8,606,796	\$6,764,647	\$6,764,647
Total Operations	\$6,716,642	\$8,606,796	\$6,764,647	\$6,764,647
Total Appropriations	\$6,716,642	\$8,606,796	\$6,764,647	\$6,764,647
Full-time Equivalent Total*	0.00	0.00	0.00	0.00

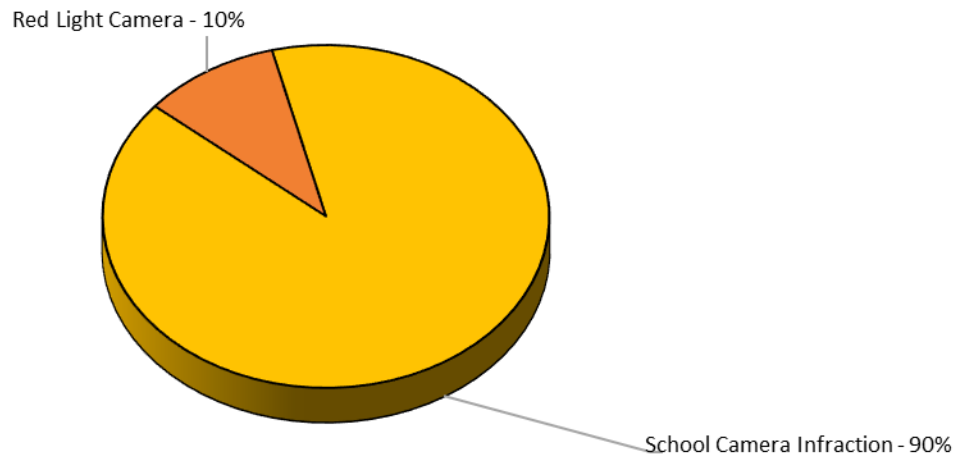
* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

2018 Proposed Budget - Expenditures by Category



School Safety Traffic and Pedestrian Improvement Fund

2018 Proposed Budget - Revenue by Category



Budget Overview

The 2018 Proposed Budget appropriates funding to the General Fund and Transportation Operating Fund for expenses related to:

- school traffic and pedestrian safety and directly related infrastructure projects;
- pedestrian, bicyclist, and driver education campaigns; and
- installation, administrative, enforcement, operations and maintenance costs associated with the fixed automated cameras in and around school zones.

In 2018, SSTPI funding will support the installation of crossing improvements at 9 to 12 schools per year. These improvements may include speed bumps, flashing beacons, curb ramps, sidewalks, and marked crosswalks. This funding also supports annual education and enforcement activities near the school.

Descriptions of funding uses are located in the Seattle Department of Transportation's (SDOT) Proposed Budget and 2018-2023 Proposed Capital Improvement Program (CIP) pages. The SDOT CIP pages are Pedestrian Master Plan - School Safety (TC367170) and Pedestrian Master Plan - New Sidewalks (TC367600).

School Safety Traffic and Pedestrian Improvement Fund

Incremental Budget Changes

School Safety Traffic and Pedestrian Improvement Fund

	2018 Budget	FTE
Total 2018 Endorsed Budget	\$ 6,764,647	0.00
2018 Proposed Budget	\$ 6,764,647	0.00

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Expenditure Overview

Appropriations	Summit Code	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Camera Operations, Administration, and Enforcement Budget Control Level	SZF100	4,037,557	2,237,557	2,237,557	2,237,557
School Safety Education and Outreach, Infrastructure Maintenance, and Capital Improvements Budget Control					
Capital Improvements		1,646,263	5,646,370	3,792,104	3,792,104
Non-Capital Operations and Maintenance		1,032,823	722,869	734,986	734,986
Total	SZF200	2,679,085	6,369,239	4,527,090	4,527,090
Department Total		6,716,642	8,606,796	6,764,647	6,764,647
Department Full-time Equivalents 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 Human Resources Director actions outside of the budget process may not be detailed here.*

School Safety Traffic and Pedestrian Improvement Fund

Revenue Overview

2018 Estimated Revenues

Summit Code	Source	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
461110	Interest Earnings	46,000	0	0	0
	Total Interest Earnings	46,000	0	0	0
587001	Red Light Camera - 20% School	472,381	850,000	800,000	800,000
	Total Red Light Cameras	472,381	850,000	800,000	800,000
454100	School Camera Infraction Revenue	13,218,453	8,171,424	5,931,304	7,329,104
	Total School Cameras	13,218,453	8,171,424	5,931,304	7,329,104
	Total Revenues	13,736,834	9,021,424	6,731,304	8,129,104
379100	Use of (Contribution to) Fund Balance	-7,020,192	-414,628	33,343	-1,364,457
	Total Use of (Contribution to) Fund Balance	-7,020,192	-414,628	33,343	-1,364,457
	Total Resources	6,716,642	8,606,796	6,764,647	6,764,647

Appropriations By Budget Control Level (BCL) and Program

Camera Operations, Administration, and Enforcement Budget Control Level

The purpose of the Camera Operations, Administration, and Enforcement Budget Control Level is to appropriate funds from the School Safety Traffic and Pedestrian Improvement Fund to the General Fund to support operational expenditures made in the Seattle Police Department and the Seattle Municipal Court related to fixed automated cameras.

Program Expenditures	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Camera Operations, Administration, and Enforcement	4,037,557	2,237,557	2,237,557	2,237,557
Total	4,037,557	2,237,557	2,237,557	2,237,557

School Safety Traffic and Pedestrian Improvement Fund

School Safety Education and Outreach, Infrastructure Maintenance, and Capital Improvements Budget Control Level

The purpose of the School Safety Education and Outreach, Infrastructure Maintenance, and Capital Improvements Budget Control Level is to appropriate funds from the School Safety Traffic and Pedestrian Improvement Fund to the Transportation Operating Fund for support of operational and capital expenditures related to school safety projects.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Capital Improvements	1,646,263	5,646,370	3,792,104	3,792,104
Non-Capital Operations and Maintenance	1,032,823	722,869	734,986	734,986
Total	2,679,085	6,369,239	4,527,090	4,527,090

The following information summarizes the programs in School Safety Education and Outreach, Infrastructure Maintenance, and Capital Improvements Budget Control Level:

Capital Improvements Program

The purpose of the Capital Improvements Program is to appropriate funding to the Transportation Operating Fund for the purpose of use in its Capital Improvement Program for projects related to pedestrian and bicycle safety near schools. Projects primarily fall within Seattle Department of Transportation's Pedestrian Master Plan - School Safety project, but may also be located in other capital projects.

	2016	2017	2018	2018
Expenditures	Actuals	Adopted	Endorsed	Proposed
Capital Improvements	1,646,263	5,646,370	3,792,104	3,792,104

Non-Capital Operations and Maintenance Program

The purpose of the Non-Capital Operations and Maintenance Program is to appropriate funding to the Transportation Operating Fund for use on non-capital spending associated with school safety such as education and outreach, flashing warning beacon preventative maintenance and repair, and staff support to meet evaluation and reporting requirements of the school camera program as required by the State of Washington.

	2016	2017	2018	2018
Expenditures	Actuals	Adopted	Endorsed	Proposed
Non-Capital Operations and Maintenance	1,032,823	722,869	734,986	734,986

School Safety Traffic and Pedestrian Improvement Fund

School Safety Traffic & Ped Fund Table

School Safety Traffic and Pedestrian Improvement Fund

	2016 Actuals	2017 Adopted	2017 Revised	2018 Endorsed	2018 Proposed
Beginning Fund Balance	1,842,569	1,118,000	8,862,761	1,532,628	9,743,557
Accounting and Technical Adjustments	0	0	0	0	0
Plus: Actual and Estimated Revenues	13,736,834	9,021,424	10,637,592	6,731,304	8,129,104
Less: Actual and Budgeted Expenditures	6,716,642	8,606,796	9,756,796	6,764,647	6,764,647
Ending Fund Balance	8,862,761	1,532,628	9,743,557	1,499,285	11,108,014
ADA Compliance					1,475,000
Continuing Appropriations			7,295,000		7,295,000
Planning Reserve	0	580,000	580,000	580,000	580,000
SPS Carryforward			1,150,000		1,150,000
Total Reserves	0	580,000	9,025,000	580,000	10,500,000
Ending Unreserved Fund Balance	8,862,761	952,628	718,557	919,285	608,014

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 2018. Position counts for a department may exceed FTE counts as position counts tally part-time positions as discrete items.

Summary of Position Changes by Department

	(A)	(B)	(C)	(D) = (A) + (B) + (C)
Department	2018 Endorsed	2018 Baseline Changes	2018 Proposed Changes	2018 Proposed Total
City Budget Office	35	-	6	41
Civil Service Commissions	3	-	-	3
Community Police Commission	4	-	2	6
Department of Construction and Inspections	388	-	3	391
Department of Education and Early Learning	60	-	15	75
Department of Neighborhoods	51	-	(1)	50
Department of Parks and Recreation	997	-	4	1,001
Employees' Retirement System	21	-	-	21
Ethics and Elections Commission	7	-	-	7
Finance and Administrative Services	630	1	6	637
Human Services Department	335	-	29	364
Law Department	187	2	4	193
Legislative Department	98	-	-	98
Neighborhood Matching Subfund	8	-	1	9
Office for Civil Rights	28	-	-	28
Office of Arts and Cultural Affairs	32	-	3	35
Office of Economic Development	36	-	-	36
Office of Hearing Examiner	5	-	-	5
Office of Housing	45	-	1	46
Office of the Inspector General	-	-	4	4
Office of Immigrant and Refugee Affairs	10	-	(1)	9
Office of Intergovernmental Relations	11	-	-	11
Office of Labor Standards	23	-	-	23
Office of Planning and Community Development	48	(1)	-	47
Office of Sustainability and Environment	25	-	7	32
Office of the City Auditor	10	-	-	10
Office of the Mayor	45	-	(7)	38
Seattle Center	255	(1)	2	256
Seattle City Light	1,801	-	22	1,823
Seattle Department of Human Resources	161	-	(1)	160
Seattle Information Technology	667	-	5	672
Seattle Department of Transportation	886	-	31	917
Seattle Fire Department	1,176	-	3	1,179
Seattle Municipal Court	224	-	-	224
Seattle Police Department	2,160	1	7	2,168
Seattle Public Utilities	1,366	-	39	1,405
Total Budgeted Positions	11,838	2	184	12,020
Seattle Firefighters' Pension Fund	4	-	-	4
Seattle Police Relief and Pension Fund	3	-	-	3
Seattle Public Library	664	-	-	664
Total Citywide Positions	12,509	2	184	12,691

Notes

1) **2018 Baseline Changes:** Include department provided baseline changes to abrogate unfunded, vacant positions and sunseting positions. This may also include corrections to positions or FTEs in the 2018 Endorsed Budget.

2) **2018 Proposed Changes:**

a) **City Council Approved Changes:**

- 2016 4th Quarter Supplemental Budget Ordinance
- 2017 1st Quarter Supplemental Budget Ordinance
- 2017 2nd Quarter Supplemental Budget Ordinance
- Move Seattle - Ordinance 125318
- Office of the Inspector General - Ordinance 125314

b) **2018 Proposed Budget:** All other position changes requested in the 2018 that have not been approved by the City Council yet.

3) **Firefighters' Pension Fund, Police Relief and Pension Fund, and Seattle Public Library positions:** Personnel figures are for informational purposes only. The Library's position list is established by the Library Board of Trustees, and positions for the Police and Firefighter Pension funds are set by their respective board members.

Summary of Full-Time Equivalent (FTE) Changes by Department

Department	(A)	(B)	(C)	(D) = (A) + (B) + (C)
	2018 Endorsed	2018 Baseline Changes	2018 Proposed Changes	2018 Proposed Total
City Budget Office	35.00	-	5.50	40.50
Civil Service Commissions	2.60	-	-	2.60
Community Police Commission	4.00	-	2.00	6.00
Department of Construction and Inspections	401.50	-	3.50	405.00
Department of Education and Early Learning	59.50	-	15.50	75.00
Department of Neighborhoods	53.00	-	(0.50)	52.50
Department of Parks and Recreation	912.51	-	9.23	921.74
Employees' Retirement System	21.00	-	-	21.00
Ethics and Elections Commission	5.90	-	-	5.90
Finance and Administrative Services	620.50	1.00	6.00	627.50
Human Services Department	325.00	-	30.75	355.75
Law Department	184.10	2.00	4.50	190.60
Legislative Department	99.00	-	-	99.00
Neighborhood Matching Subfund	8.00	-	1.00	9.00
Office for Civil Rights	27.25	-	0.75	28.00
Office of Arts and Cultural Affairs	31.09	-	3.00	34.09
Office of Economic Development	35.50	-	-	35.50
Office of Hearing Examiner	4.63	-	-	4.63
Office of Housing	43.50	-	1.00	44.50
Office of the Inspector General	-	-	4.00	4.00
Office of Immigrant and Refugee Affairs	9.50	-	(0.50)	9.00
Office of Intergovernmental Relations	10.50	-	-	10.50
Office of Labor Standards	23.00	-	-	23.00
Office of Planning and Community Development	46.50	(1.00)	-	45.50
Office of Sustainability and Environment	19.50	-	7.00	26.50
Office of the City Auditor	9.50	-	-	9.50
Office of the Mayor	44.00	-	(6.50)	37.50
Seattle Center	241.73	(1.00)	2.00	242.73
Seattle City Light	1,794.80	-	22.00	1,816.80
Seattle Department of Human Resources	158.75	-	(0.25)	158.50
Seattle Information Technology	661.60	-	6.00	667.60
Seattle Department of Transportation	885.50	-	32.00	917.50
Seattle Fire Department	1,155.55	-	3.00	1,158.55
Seattle Municipal Court	213.10	-	-	213.10
Seattle Police Department	2,146.35	1.00	7.50	2,154.85
Seattle Public Utilities	1,359.05	-	39.50	1,398.55
Total Budgeted FTEs	11,652.51	2.00	197.98	11,852.49
Seattle Firefighters' Pension Fund	4.00	-	-	4.00
Seattle Police Relief and Pension Fund	3.00	-	-	3.00
Seattle Public Library	556.10	-	-	556.10
Total Citywide FTEs	12,215.61	2.00	197.98	12,415.59

Notes

1) **2018 Baseline Changes:** Include department provided baseline changes to abrogate unfunded, vacant positions and sunseting positions. This may also include corrections to positions or FTEs in the 2018 Endorsed Budget.

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Fund Financial Plans

Fund #	Fund Name	Page
00100	General Subfund.....	799
00126	Judgment and Claims Fund.....	800
00140	Arts Account.....	801
00160	Cable Television Franchise Sub-Fund.....	802
00161	Cumulative Reserve Subfund, Real Estate Excise Tax II Subaccount.....	803
00163	Cumulative Reserve Subfund, Real Estate Excise Tax I Subaccount.....	804
00164	Cumulative Reserve Subfund, Unrestricted Subaccount.....	805
00165	Neighborhood Matching Subfund.....	806
00166	Cumulative Reserve Subfund, Revenue Stabilization	807
00167	Cumulative Reserve Subfund, South Lake Union Property	808
00168	Cumulative Reserve Subfund, Asset Preservation	809
00169	Cumulative Reserve Subfund, Street Vacation	810
00178	Cumulative Reserve Subfund - Bluefield Habitat Preservation.....	811
00185	Emergency Subfund.....	812
00190	Office of Labor Standards.....	813
10200	Parks and Recreation Fund.....	814
10310	Transportation Master Fund.....	816
10410	Library Fund.....	818
10800	Seattle Streetcar Fund.....	819
11010	Pike Place Market Renovation Fund.....	820
11410	Seattle Center Fund.....	821
12100	Wheelchair Accessible Fund.....	822
12300	Election Voucher Fund	823
14100	Department of Education and Early Learning Fund.....	824
15700	Construction and Inspections Fund.....	825
16200	Human Services Operating Fund.....	826
16400	Low-Income Housing Fund.....	827
16600	Housing Operating Fund.....	828

17857	2011 Families and Education Levy Subfund.....	829
17861	Seattle Preschool Program.....	830
18100	Library Levy Fund	831
18500	School Safety Traffic and Pedestrian Improvement Fund.....	832
33140	Parks Capital Fund.....	833
33860	2008 Parks Levy Fund.....	834
34070	McCaw Hall Capital Reserve Fund.....	835
34440	2003 Fire Facilities Fund.....	836
41000	City Light Fund.....	837
43000	Water Fund.....	839
44010	Drainage and Wastewater Fund.....	841
45010	Solid Waste Fund.....	843
47010	Fiber Leasing Fund.....	845
50300	Finance and Administrative Services Fund.....	846
50410	Information Technology Fund.....	847
60200	Fire Pension Fund.....	849
60400	Police Pension Fund.....	850
62600	Municipal Arts Fund.....	851
67600	FileLocal Agency Fund.....	852

General Subfund (00100)

Amounts in \$1,000s	2016 Actuals	2017 Adopted	2017 Revised	2018 Proposed	2019 Projected	2020 Projected	2021 Projected
Beginning Fund Balance	63,481	57,050	78,384	58,306	67,401	82,628	115,321
Accounting Adjustments							
Revised Beginning Fund Balance	63,481	57,050	78,384	58,306	67,401	82,628	115,321
Revenues							
Property Tax	283,735	290,932	293,701	307,371	313,761	336,146	346,230
Sales Tax	237,250	244,940	248,426	259,781	267,248	276,200	284,486
Business and Occupation Tax	234,908	253,059	252,236	268,004	278,840	289,302	297,981
Utility Tax	192,388	203,225	203,198	211,387	217,030	224,417	231,149
Other Taxes	28,342	25,482	28,277	43,359	42,644	42,394	43,666
Parking Meters	42,153	46,771	43,631	44,628	43,752	43,913	45,230
Court Fines and Forfeitures	28,222	28,875	25,878	27,885	27,925	27,925	28,763
Revenue from Other Public Entities	9,848	10,654	10,111	10,111	10,111	10,111	10,414
Service Charges & Reimbursements	54,381	50,358	50,408	50,635	51,564	52,402	53,974
Fund Balance Transfers (ERF, RSA, J&C, CRS-U)	26,986	5,212	6,379	5,842	4,309	4,323	4,453
Licenses, Permits, Interest Income and Other	26,229	29,658	31,956	35,561	36,371	36,760	37,862
Grants	11,791	0	0	0	0	0	0
SRI Reimbursable	2,955	4,326	4,326	1,950	0	0	0
Total Revenues	1,179,188	1,193,491	1,198,528	1,266,514	1,293,555	1,343,893	1,384,209
Resources from Bond Proceeds	0	29,000	29,000	0	0	0	0
Resources from Interfund Loans	0	6,500	16,000	0	0	0	0
King County Proceeds	0	0	0	1,000	0	0	0
Supplementals	0	0	7,396	0	0	0	0
Total Resources	1,179,188	1,228,991	1,250,925	1,267,514	1,293,555	1,343,893	1,384,209
Expenditures							
Arts, Culture & Recreation	(174,762)	(178,375)	(178,375)	(186,062)	(191,206)	(195,986)	(200,885)
Health and Human Services	(90,149)	(101,803)	(101,803)	(110,657)	(111,813)	(114,608)	(117,473)
Neighborhoods & Development	(35,356)	(71,659)	(71,659)	(35,137)	(35,870)	(36,767)	(37,686)
Public Safety	(642,839)	(653,315)	(653,315)	(679,577)	(688,505)	(705,717)	(723,360)
Utilities and Transportation	(71,762)	(52,400)	(52,400)	(50,447)	(43,961)	(45,060)	(46,186)
Administration	(127,656)	(158,005)	(158,005)	(173,447)	(182,588)	(187,153)	(191,832)
Debt service	(10,409)	(16,997)	(15,880)	(17,699)	(18,858)	(20,243)	(22,789)
GF Subfunds	(11,352)	(4,476)	(4,476)	(5,393)	(5,528)	(5,666)	(5,836)
GF Supported Capital Projects	0	(350)	0	0	0	0	0
First Quarter Supplemental	0	0	(6,324)	0	0	0	0
Second Quarter Supplemental	0	0	(4,092)	0	0	0	0
Third Quarter Supplemental	0	0	(13,437)	0	0	0	0
Stand-Alone Supplementals	0	0	(11,236)	0	0	0	0
	(1,164,285)	(1,237,380)	(1,271,003)	(1,258,419)	(1,278,328)	(1,311,199)	(1,346,048)
Ending Fund Balance	78,384	48,661	58,306	67,401	82,628	115,321	153,483
Reserves							
End of year carry forward reserves	(15,168)	(9,665)	(15,168)	(15,168)	(15,168)	(15,168)	(15,168)
Planning reserve	(14,678)	(35,816)	(25,486)	(50,245)	(89,208)	(135,039)	(183,356)
Reserves against fund balance	(1,988)	0	(1,988)	(1,988)	(1,988)	(1,988)	(1,988)
Total Reserves	(31,834)	(45,481)	(42,642)	(67,401)	(106,364)	(152,195)	(200,513)
Ending Unreserved Fund Balance	46,550	3,180	15,664	0	(23,736)	(36,874)	(47,030)

Judgment and Claims Fund (00126)

Amounts in \$1,000s	2016	2017	2017	2018	2019	2020	2021
	Actuals	Adopted	Revised	Proposed	Projected	Projected	Projected
Beginning Fund Balance	8,765	7,574	3,482	3,482	3,482	3,482	3,482
Accounting Adjustments							
Beginning Unreserved Fund Balance	8,765	7,574	3,482	3,482	3,482	3,482	3,482
Revenues							
Miscellaneous Revenue	121	0	0	0	0	0	
Payments from Utilities	6,999	7,782	7,782	7,782	7,782	7,782	7,782
Payments from GF Depts	8,157	8,151	8,151	7,076	7,076	7,076	7,076
General Fund Support	621	417	417	1,762	362	362	362
Total Revenues	15,897	16,350	16,350	16,620	15,220	15,220	15,220
Expenditures							
Utilities							
FAS Claims	(1,445)	(1,732)	(1,732)	(1,732)	(1,732)	(1,732)	(1,732)
LAW Judgments	(797)	(3,581)	(3,581)	(3,581)	(3,581)	(3,581)	(3,581)
LAW Litigation	(4,761)	(2,469)	(2,469)	(2,469)	(2,469)	(2,469)	(2,469)
Utilities Subtotal	(7,003)	(7,782)	(7,782)	(7,782)	(7,782)	(7,782)	(7,782)
General Fund							
FAS Claims	(4,416)	(2,054)	(2,054)	(1,792)	(1,792)	(1,792)	(1,792)
LAW Judgments	(3,334)	(2,456)	(2,456)	(3,489)	(2,089)	(2,089)	(2,089)
LAW Litigation	(4,637)	(2,760)	(2,760)	(2,348)	(2,348)	(2,348)	(2,348)
LAW Police Action	(1,707)	(1,204)	(1,204)	(1,121)	(1,121)	(1,121)	(1,121)
LAW General	(83)	(95)	(95)	(88)	(88)	(88)	(88)
General Fund Subtotal	(14,177)	(8,568)	(8,568)	(8,838)	(7,438)	(7,438)	(7,438)
Total Expenditures	(21,180)	(16,350)	(16,350)	(16,620)	(15,220)	(15,220)	(15,220)
Ending Fund Balance ¹	3,482	7,574	3,482	3,482	3,482	3,482	3,482

Notes

1) Per Resolution 30386, the fund retains a balance of 50% of expected annual expenditures, concurrent with a \$6.5 million reserve related to contract indemnification per Ordinance 124088.

Arts Account Subfund (00140)

Amounts in \$1,000s	2016	2017	2017	2018	2019	2020	2021
	Actuals	Adopted	Revised	Proposed	Projected	Projected	Projected
Beginning Fund Balance	1,517	445	2,633	453	488	669	699
Accounting Adjustments							
Revised Beginning Fund Balance	1,517	445	2,633	453	488	669	699
Revenues							
Admissions Tax Allocation	6,493	7,914	7,914	10,328	10,346	10,465	10,415
General Fund	1,500	1,400	1,400	0	0	0	0
Interest Earnings	49	20	50	50	50	50	50
Interest Increase/Decrease	(15)	0	0	0	0	0	0
Langston Hughes Operating	42	32	32	32	32	32	32
Misc Income	3	0	0	0	0	0	0
Federal Grants	46	0	0	0	0	0	0
Rental Income from LHPAI Non-Profit	0	40	40	40	40	40	40
Total Revenues	8,118	9,406	9,436	10,450	10,468	10,587	10,537
Expenditures							
Administrative Services	(585)	(1,607)	(1,607)	(2,035)	(2,055)	(2,107)	(2,160)
Community Develop & Outreach	(657)	(503)	(503)	(523)	(539)	(555)	(572)
Cultural Facilities Operations	(451)	(473)	(473)	(861)	(1,038)	(1,069)	(1,101)
Cultural Partnerships	(4,177)	(4,527)	(4,527)	(5,258)	(5,114)	(5,279)	(5,450)
Cultural Partnerships: Langston Non-Profit	(400)	(400)	(400)	(400)	(400)	(400)	(400)
Cultural Space	(731)	(1,922)	(1,922)	(1,338)	(1,142)	(1,146)	(1,150)
Carry Forward - Encumbrances	0	0	(2,125)	0	0	0	0
Carry Forward Ordinance	0	0	(60)	0	0	0	0
Total Expenditures	(7,002)	(9,431)	(11,616)	(10,415)	(10,287)	(10,556)	(10,833)
Ending Fund Balance	2,633	419	453	488	669	699	404
Reserves							
<i>Committed Reserves</i>							
Operating Reserve ¹	(408)	(419)	(420)	(430)	(441)	(452)	(463)
Accounting Adjustments	0	0	(16)	(16)	(16)	(16)	(16)
<i>Assigned Reserves</i>							
2016 Encumbrances	(2,125)	0	0	0	0	0	0
Total Reserves	(2,533)	(419)	(436)	(446)	(457)	(468)	(479)
Ending Unreserved Fund Balance	100	0	17	42	212	231	(75)

¹ Resolution 31507, passed by Council in March 2014, established an operating reserve of \$400,000 for the Arts Account and annual CPI adjustment of the reserve balance beginning with the 2016 budget.

Cable Television Franchise Subfund (00160)

Amounts in \$1,000s	2016	2017	2017	2018	2019	2020	2021
	Actuals	Adopted	Revised	Proposed	Projected	Projected	Projected
Beginning Fund Balance	4,458	3,658	3,750	2,802	2,009	1,234	189
Accounting Adjustments							
Beginning Unreserved Fund Balance	4,458	3,658	3,750	2,802	2,009	1,234	189
Revenues							
Franchise Fees ¹	8,692	8,522	8,585	8,585	8,585	8,585	8,585
PEG Support Fees	666	734	666	666	666	666	666
Misc. Revenues/Rebates ²	100	100	100	100	100		
Interest Earnings	31	37	54	57	52	25	
Total Revenues	9,489	9,393	9,405	9,408	9,403	9,276	9,251
Expenditures ³							
Leadership, Planning, and Security	(734)	(68)	(68)	(70)	(71)	(72)	(73)
Engineering and Operations	(1,155)	(763)	(763)	(771)	(782)	(794)	(806)
Digital Engagement	(7,539)	(7,249)	(7,249)	(7,460)	(7,547)	(7,660)	(7,775)
Security & Privacy		(435)	(435)	(443)	(449)	(456)	(463)
Applications		(742)	(742)	(430)	(323)	(327)	(332)
Business Office	(238)	(457)	(457)	(386)	(363)	(369)	(374)
Support to Library	(530)	(640)	(640)	(642)	(642)	(642)	(642)
Total Expenditures	(10,196)	(10,353)	(10,353)	(10,202)	(10,177)	(10,320)	(10,465)
Ending Fund Balance	3,750	2,698	2,802	2,009	1,234	189	(1,025)
Reserves							
Operating Expense & Revenue Projection Reserves ⁴	(1,529)	(1,553)	(1,553)	(1,530)	(1,527)	(1,548)	(1,570)
Digital Equity Reserves	(500)	(284)	(284)	(98)	(38)		
Equipment Replacement for Capital Acquisitions	(600)	(600)	(600)	(575)	(575)	(575)	(575)
Total Reserves	(2,629)	(2,437)	(2,437)	(2,203)	(2,139)	(2,123)	(2,145)
Ending Unreserved Fund Balance	1,121	261	366	(194)	(905)	(1,934)	(3,170)

Assumptions:

¹ Annual revenue growth projections are as follows: 0.0% for 2017-2021 . 2016 Franchise Fees included one-time items.

² \$100K Comcast Grants in 2016-2019.

³ Expenditures based on Actuals for 2016, Adopted/Revised/Proposed Baseline Budgets for 2017-2018, and assume 1.5% inflation thereafter.

⁴ Cash Float and Revenue Projections Reserve calculated as 15% of Expenditures.

Cumulative Reserve Subfund - REET II Subaccount (00161)

Amounts in \$1,000s	2016 Actuals	2017 Adopted	2017 Revised	2018 Proposed	2019 Projected	2020 Projected	2021 Projected
Beginning Fund Balance	33,826	37,177	41,492	31,425	25,059	47,869	77,387
Accounting Adjustments							
Beginning Unreserved Fund Balance	33,826	37,177	41,492	31,425	25,059	47,869	77,387
Revenues							
Real Estate Excise Taxes	38,270	34,675	37,494	38,298	40,298	42,172	43,015
Total Revenues	38,270	34,675	37,494	38,298	40,298	42,172	43,015
Expenditures							
Direct CRS Spending	(3,463)	0	0	0	0	0	0
CIP Supported Projects	(27,141)	(45,691)	(47,561)	(44,664)	(17,487)	(12,655)	(12,443)
Total Expenditures	(30,604)	(45,691)	(47,561)	(44,664)	(17,487)	(12,655)	(12,443)
Ending Fund Balance	41,492	26,161	31,425	25,059	47,869	77,387	107,960
Reserves							
Continuing Appropriation	(19,969)	(16,776)	(19,969)	(19,969)	(19,969)	(19,969)	(19,969)
Reserve for American Disabilities Act Projects	0	0	0	0	(3,000)	(5,000)	(5,000)
Reserve for Neighborhood (NSF) Projects	0	0	0	0	(2,000)	(4,000)	(6,000)
Reserve for Seattle Asian Art Museum	(4,450)	(1,750)	(1,750)	0	0	0	0
Reserve for Asset Preservation Projects	0	0	0	0	(17,900)	(43,418)	(71,991)
Fund Balance Target Reserve	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)
Total Reserves	(29,419)	(23,526)	(26,719)	(24,969)	(47,869)	(77,387)	(107,960)
Ending Unreserved Fund Balance	12,073	2,634	4,707	90	0	0	0

Cumulative Reserve Subfund - REET I Subaccount (00163)

Amounts in \$1,000s	2016	2017	2017	2018	2019	2020	2021
	Actuals	Adopted	Revised	Proposed	Projected	Projected	Projected
Beginning Fund Balance	48,556	51,084	59,053	49,776	42,728	69,838	98,674
Accounting Adjustments							
Beginning Unreserved Fund Balance	48,556	51,084	59,053	49,776	42,728	69,838	98,674
Revenues							
Real Estate Excise Taxes	38,288	34,675	37,494	38,298	40,298	42,172	43,015
Total Revenues	38,288	34,675	37,494	38,298	40,298	42,172	43,015
Expenditures							
Direct CRS Spending	(5,138)	(1,146)	(2,146)	(3,048)	(1,182)	(1,217)	(1,254)
CIP Supported Projects	(22,652)	(42,469)	(44,624)	(42,298)	(12,006)	(12,119)	(12,102)
Total Expenditures	(27,791)	(43,615)	(46,770)	(45,346)	(13,188)	(13,336)	(13,356)
Ending Fund Balance	59,053	42,144	49,776	42,728	69,838	98,674	128,333
Reserves							
Continuing Appropriations	(33,890)	(28,094)	(33,390)	(33,390)	(33,390)	(33,390)	(33,390)
Reserve for American Disabilities Act Projects	0	0	0	0	(3,000)	(4,000)	(5,000)
Reserve for Asian Art Museum	(5,900)	(3,250)	(3,250)	0	0	0	0
Reserve for Fire Station 5 Relocation Costs	(4,100)	(4,100)	(4,100)	(4,100)	(4,100)	(4,100)	(4,100)
Reserve for Asset Preservation Projects	0	0	0	0	(24,348)	(52,184)	(80,843)
Fund Balance Target Reserve	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)	(5,000)
Total Reserves	(48,890)	(40,444)	(45,740)	(42,490)	(69,838)	(98,674)	(128,333)
Ending Unreserved Fund Balance	10,163	1,700	4,036	238	0	0	0

Cumulative Reserve Subfund - Unrestricted (00164)

Amounts in \$1,000s	2016 Actuals	2017 Adopted	2017 Revised	2018 Proposed	2019 Projected	2020 Projected	2021 Projected
Beginning Fund Balance	11,700	12,334	9,398	13,486	15,480	19,948	21,658
Accounting Adjustments							
Beginning Unreserved Fund Balance	11,700	12,334	9,398	13,486	15,480	19,948	21,658
Revenues							
Grants/Levy/Donations/Other	148	3,320	4,945	4,725	3,029	1,528	1,527
Misc Revenues ¹	1,175	1,820	1,725	2,075	2,475	2,475	2,475
Property Sales	47	0	3,772	495	2,971	216	216
General Fund Support	2,700	0	0	500	0	0	0
Total Revenues	4,070	5,140	10,442	7,795	8,475	4,219	4,218
Expenditures							
Direct CRS Spending	(297)	(268)	(268)	(83)	(85)	(87)	(87)
CIP Supported Projects	(6,076)	(3,761)	(6,086)	(5,718)	(3,922)	(2,422)	(2,422)
Total Expenditures	(6,373)	(4,029)	(6,354)	(5,801)	(4,007)	(2,509)	(2,509)
Ending Fund Balance	9,398	13,445	13,486	15,480	19,948	21,658	23,367
Reserves							
Continuing Appropriation	(13,834)	(13,261)	(13,832)	(13,832)	(13,832)	(13,832)	(13,832)
District Energy Investment Reserve	0	0	0	(495)	(495)	(495)	(495)
King County Park Levy Reserve	(1,800)	(1,800)	(1,100)	(1,100)	(1,100)	(1,100)	(1,100)
Total Reserves	(15,634)	(15,061)	(14,932)	(15,427)	(15,427)	(15,427)	(15,427)
Ending Unreserved Fund Balance ²	(6,236)	(1,616)	(1,446)	53	4,521	6,231	7,940

1) Includes Interest Earnings, Street Vacations, Parking Fees

2) The negative ending fund balance position is supported by an interfund loan. Misc revenues, including anticipated Street Vacation revenues, will be retained within the fund over the next two years to bring the fund back into a positive position.

Neighborhood Matching Fund (00165)

Amounts in \$1,000s	2016	2017	2017	2018	2019	2020	2021
	Actuals	Adopted	Revised	Proposed	Projected	Projected	Projected
Beginning Fund Balance	3,302	2,692	2,865	2,345	1,036	(311)	(1,699)
Accounting Adjustments	0						
Beginning Unreserved Fund Balance	3,302	2,692	2,865	2,345	1,036	(311)	(1,699)
Revenues							
Revenue Support from Finance General	3,217	3,044	3,044	2,922	3,009	3,100	3,193
Total Revenues	3,217	3,044	3,044	2,922	3,009	3,100	3,193
Expenditures							
Large Projects Fund	(1,220)	(1,545)	(1,313)	(1,545)	(1,591)	(1,639)	(1,688)
Mgt & Proj Dev Fund	(1,051)	(1,090)	(927)	(1,128)	(1,162)	(1,196)	(1,232)
Small & Simple Projects Fund	(1,317)	(1,490)	(1,267)	(1,490)	(1,535)	(1,581)	(1,628)
Small Sparks Fund	(66)	(68)	(58)	(68)	(70)	(72)	(74)
Total Expenditures	(3,654)	(4,193)	(3,564)	(4,230)	(4,357)	(4,488)	(4,622)
Ending Fund Balance	2,865	1,544	2,345	1,036	(311)	(1,699)	(3,129)
Reserves							
Reserved for Continuing Appropriations	(2,209)	0	0	0	0	0	0
Total Reserves	(2,209)	0	0	0	0	0	0
Ending Unreserved Fund Balance	656	1,544	2,345	1,036	(311)	(1,699)	(3,129)

Revenue Stabilization Account (00166)

Amounts in \$1,000s	2016	2017	2017	2018	2019	2020	2021
	Actuals	Adopted	Revised	Proposed	Projected	Projected	Projected
Beginning Fund Balance	45,223	47,447	47,447	50,224	54,075	55,589	58,027
Accounting Adjustments		-					
Beginning Unreserved Fund Balance	45,223	47,447	47,447	50,224	54,075	55,589	58,027
Revenues							
CY/Actual Budget Contribution	2,224	2,778	2,778	3,851	1,514	2,437	1,161
Total Revenues	2,224	2,778	2,778	3,851	1,514	2,437	1,161
Expenditures							
Total Expenditures	0	0	0	0	0	0	0
Ending Fund Balance	47,447	50,224	50,224	54,075	55,589	58,027	59,187
Reserves							
Total Reserves	0	0	0	0	0	0	0
Ending Unreserved Fund Balance	47,447	50,224	50,224	54,075	55,589	58,027	59,187

Cumulative Reserve Subfund - South Lake Union Property Fund (00167)

Amounts in \$1,000s	2016	2017	2017	2018	2019	2020	2021
	Actuals	Adopted	Revised	Proposed	Projected	Projected	Projected
Beginning Fund Balance	324	228	327	0	0	0	0
Accounting Adjustments							
Beginning Unreserved Fund Balance	324	228	327	0	0	0	0
Revenues							
Misc Revenue	3	4	3	0	0	0	0
Total Revenues	3	4	3	0	0	0	0
Expenditures							
CY/Actual Budget Appropriations	0	0	(330)	0	0	0	0
Total Expenditures	0	0	(330)	0	0	0	0
Ending Fund Balance	327	231	0	0	0	0	0
Reserves							
Designated for Special Purposes	(327)	(231)	0	0	0	0	0
Total Reserves	(327)	(231)	0	0	0	0	0
Ending Unreserved Fund Balance	0	0	0	0	0	0	0

Cumulative Reserve Subfund - Asset Preservation Fund (00168)

Amounts in \$1,000s	2016 Actuals	2017 Adopted	2017 Revised	2018 Proposed	2019 Projected	2020 Projected	2021 Projected
Beginning Fund Balance	4,180	3,246	5,403	5,468	5,533	5,598	5,663
Accounting Adjustments							
<i>Beginning Unreserved Fund Balance</i>	4,180	3,246	5,403	5,468	5,533	5,598	5,663
Revenues							
Transfer from FAS Facilities Subfund	6,459	4,000	9,100	4,000	4,000	4,000	4,000
Misc. Revenue	46	65	65	65	65	65	65
<i>Total Revenues</i>	6,505	10,565	9,165	4,065	4,065	4,065	4,065
Expenditures							
Actual/Budget Expenditures	(5,282)	(10,500)	(9,100)	(4,000)	(4,000)	(4,000)	(4,000)
<i>Total Expenditures</i>	(5,282)	(10,500)	(9,100)	(4,000)	(4,000)	(4,000)	(4,000)
<i>Ending Fund Balance</i>	5,403	3,311	5,468	5,533	5,598	5,663	5,728
Reserves							
Continuing Appropriations	(5,282)	(3,172)	(5,282)	(5,282)	(5,282)	(5,282)	(5,282)
Large Expense Project Reserve	(121)	(139)	(186)	(251)	(316)	(381)	(446)
<i>Total Reserves</i>	(5,403)	(3,311)	(5,468)	(5,533)	(5,598)	(5,663)	(5,728)
<i>Ending Unreserved Fund Balance</i>	0	0	0	0	0	0	0

Cumulative Reserve Subfund - Street Vacation Fund (00169)

Amounts in \$1,000s	2016	2017	2017	2018	2019	2020	2021
	Actuals	Adopted	Revised	Proposed	Projected	Projected	Projected
Beginning Fund Balance	8,287	2,410	7,721	7,322	7,817	10,788	11,004
Accounting Adjustments							
Beginning Unreserved Fund Balance	8,287	2,410	7,721	7,322	7,817	10,788	11,004
Revenues							
Misc Revenue	46	770	3,772	495	2,971	216	216
Total Revenues	46	770	3,772	495	2,971	216	216
Expenditures							
CY/Actual Budget Appropriations	(612)	(177)	(4,171)	0	0	0	0
Total Expenditures	(612)	(177)	(4,171)	0	0	0	0
Ending Fund Balance	7,721	3,003	7,322	7,817	10,788	11,004	11,220
Reserves							
Continuing Appropriations	(7,292)	(1,994)	(7,292)	(7,292)	(7,292)	(7,292)	(7,292)
Designated for Transportation Purposes	(429)	(1,009)	(30)	(525)	(3,496)	(3,712)	(3,928)
Total Reserves	(7,721)	(3,003)	(7,322)	(7,817)	(10,788)	(11,004)	(11,220)
Ending Unreserved Fund Balance	0	0	0	0	0	0	0

Cumulative Reserve Subfund - BlueField Habitat Preservation Fund (00178)

Amounts in \$1,000s	2016	2017	2017	2018	2019	2020	2021
	Actuals	Adopted	Revised	Proposed	Projected	Projected	Projected
Beginning Fund Balance	210	212	212	214	216	218	220
Accounting Adjustments							
Beginning Unreserved Fund Balance	210	212	212	214	216	218	220
Revenues							
Misc Revenue	2	2	2	2	2	2	2
Total Revenues	2	2	2	2	2	2	2
Expenditures							
CY/Actual Budget Appropriations	0	0	0	0	0	0	0
Total Expenditures	0	0	0	0	0	0	0
Ending Fund Balance	212	214	214	216	218	220	222
Reserves							
Continuing Appropriations	0	0	0	0	0	0	0
Designated for Special Purposes	(212)	(214)	(214)	(216)	(218)	(220)	(222)
Total Reserves	(212)	(214)	(214)	(216)	(218)	(220)	(222)
Ending Unreserved Fund Balance	0	0	0	0	0	0	0

Emergency Fund (00185)

Amounts in \$1,000s	2016	2017	2017	2018	2019	2020	2021
	Actuals	Adopted	Revised	Proposed	Projected	Projected	Projected
Beginning Fund Balance	54,198	60,000	60,005	61,703	63,245	64,777	66,310
Beginning Unreserved Fund Balance	54,198	60,000	60,005	61,703	63,245	64,777	66,310
Revenues							
Contributions from the General Fund	5,807	1,698	1,698	1,542	1,532	1,534	1,538
Total Revenues	5,807	1,698	1,698	1,542	1,532	1,534	1,538
Expenditures							
Actual/Budget Expenditures	0	0	0	0	0	0	0
Total Expenditures	0	0	0	0	0	0	0
Ending Fund Balance	60,005	61,698	61,703	63,245	64,777	66,310	67,849
Reserves							
Total Reserves	0	0	0	0	0	0	0
Ending Unreserved Fund Balance	60,005	61,698	61,703	63,245	64,777	66,310	67,849

Office of Labor Standards Fund (00190)

Amounts in \$1,000s	2016	2017	2017	2018	2019	2020	2021
	Actuals	Adopted	Revised	Proposed	Projected	Projected	Projected
Beginning Fund Balance	0	0	0	0	0	0	0
Beginning Unreserved Fund Balance	0	0	0	0	0	0	0
Revenues							
General Fund	0	0	5,773	5,698	5,869	6,045	6,227
Total Revenues	0	0	5,773	5,698	5,869	6,045	6,227
Expenditures							
Office of Labor Standards BCL	0	0	(5,747)	(5,698)	(5,869)	(6,045)	(6,227)
Carry Forward	0	0	(26)	0	0	0	0
Total Expenditures	0	0	(5,773)	(5,698)	(5,869)	(6,045)	(6,227)
Ending Fund Balance	0	0	0	0	0	0	0
Reserves							
Total Reserves	0	0	0	0	0	0	0
Ending Unreserved Fund Balance	0	0	0	0	0	0	0

Notes

The OLS Fund was established in 2017 by Ordinance 125273.

Parks and Recreation Fund (10200)

Amounts in \$1,000s	2016	2017	2017	2018	2019	2020	2021
	Actuals	Adopted	Revised	Proposed	Projected	Projected	Projected
Beginning Fund Balance	5,279	3,384	7,614	6,348	4,978	3,338	929
Carry forward	0	0	(505)	0	0	0	0
Beginning Unreserved Fund Balance	5,279	3,384	7,109	6,348	4,978	3,338	929
Revenues							
Sales of Merchandise	247	27	27	27	27	27	27
Miscellaneous Charges and Fees	325	27	27	17	17	17	17
Resource Recovery Revenues (1)	2,911	3,257	3,546	3,410	3,410	3,410	3,410
Recreational Activity Fees	10,805	12,832	12,832	11,980	11,980	11,980	11,980
Recreation Shared Revenues - ARC	591	852	852	852	852	852	852
Recreation admission fees	2,505	2,084	2,084	2,084	2,084	2,084	2,084
Exhibit Admission Fees	10	379	379	379	379	379	379
Athletic Facility Fees (2)	2,888	3,253	3,253	3,718	3,830	3,944	4,063
Program Fees	3,798	3,929	3,929	3,954	3,954	3,954	3,954
Parking Fees	48	69	69	69	69	69	69
Miscellaneous Revenue	160	777	777	889	889	889	889
Charges to Other City Departments	1,528	339	339	1,576	68	68	68
Miscellaneous Revenue	103						
General Subfund Support	100,368	103,266	103,324	108,439	113,062	116,454	119,947
State Grants	60						
Private Contributions	111	452	452	452	452	452	452
ST Space Facilities Rentals (2)	5,412	4,400	4,400	4,421	4,401	4,533	4,669
LT Space/Facilities Leases (2)	1,087	1,345	1,345	1,460	1,504	1,549	1,596
Concession Proceeds	39	80	80	80	80	80	80
Rents and Use Charges	522	548	548	543	542	542	542
Salvage Sales	4	0	0	0	0	0	0
Judgments & Settlements	27	0	0	0	0	0	0
Telephone Commission Revenue	0	1	1	1	1	1	1
Seattle Parks District (3)	12,019	12,677	12,677	13,104	14,650	15,415	15,800
Transfers from CRS & Parks Levy	10,259	10,881	10,881	10,302	10,302	10,302	10,302
Interfund Building/Other Space Rental	92	72	72	72	72	72	72
Interfund Other Rent and Use	267	255	255	255	255	255	255
Federal Grants-Direct	379	0	0	0	0	0	0
Park District Carry Forward	0	0	925	0	0	0	0
Total Revenues	156,568	161,802	163,074	168,083	172,880	177,329	181,508
Expenditures							
Environmental Learning and Programs	(1,150)	(1,254)	(1,254)	(1,189)	(1,224)	(1,261)	(1,299)
Facility and Structure Maintenance	(17,569)	(17,703)	(17,703)	(20,883)	(21,509)	(22,154)	(22,819)
Finance and Administration	(11,049)	(16,728)	(18,123)	(18,360)	(18,911)	(19,478)	(20,062)
Golf	(11,668)	(12,112)	(10,981)	(11,303)	(11,642)	(11,991)	(12,351)
Judgment and Claims	(711)	(668)	(668)	(580)	(580)	(580)	(580)
Natural Resources Management	(9,506)	(9,528)	(9,562)	(9,692)	(9,982)	(10,282)	(10,590)
Park Cleaning, Landscaping, and Restoration	(32,177)	(34,338)	(34,358)	(39,180)	(40,355)	(41,566)	(42,813)
Planning, Development, Acquisition	(7,619)	(7,575)	(7,575)	(7,935)	(8,173)	(8,418)	(8,671)
Policy Direction and Leadership	(4,714)	(4,797)	(4,797)	(3,802)	(3,916)	(4,033)	(4,154)
Recreation Facilities and Programs	(29,099)	(30,184)	(30,473)	(28,578)	(29,435)	(30,318)	(31,228)
Regional Parks and Strategic Outreach	(5,762)	(6,480)	(6,480)	(7,195)	(7,411)	(7,634)	(7,863)

Parks and Recreation Fund (10200) (con't)

Amounts in \$1,000s	2016	2017	2017	2018	2019	2020	2021
	Actuals	Adopted	Revised	Proposed	Projected	Projected	Projected
Expenditures (con't)							
Seattle Aquarium	(1,079)	0	0	0	0	0	0
Seattle Conservation Corps	(4,975)	(4,708)	(4,708)	(4,831)	(4,976)	(5,125)	(5,279)
Swimming, Boating, and Aquatics	(10,251)	(10,040)	(10,066)	(8,834)	(9,099)	(9,372)	(9,654)
Woodland Park Zoo	(6,904)	(7,087)	(7,087)	(7,093)	(7,306)	(7,525)	(7,751)
Total Expenditures	(154,233)	(163,202)	(163,835)	(169,453)	(174,519)	(179,738)	(185,112)
Ending Fund Balance	7,614	1,984	6,348	4,978	3,338	929	(2,675)
Reserves							
Donations Reserve (Alki)	(59)	(49)	(49)	(39)	(19)	(10)	(10)
SPU Reservoir Use Fees	(600)	(600)	(600)	(600)	(600)	(600)	(600)
Use of Fund Balance	(2,200)	(800)	(1,370)	0	0	0	0
Belltimes Change for Fall	(137)	0	0	0	0	0	0
Moorage Revenue Reserve	0	0	(300)	0	0	0	0
Belltown Lease Reserve	0	0	(131)	0	0	0	0
SRI Reserve (Return to CBO)	(7)	0	0	0	0	0	0
SRI Carry Forward (fund balance)	(505)	0	0	0	0	0	0
Park District Carry Forward (rev backed)	(925)	0	0	0	0	0	0
Operating Reserve-Golf	0	0	(1,000)	(1,000)	0	0	0
SRI A/R Issue: Aquatics	0	0	(500)	0	0	0	0
Total Reserves	(4,433)	(1,449)	(3,950)	(1,639)	(619)	(610)	(610)
Ending Unreserved Fund Balance	3,181	535	2,398	3,339	2,719	319	(3,285)

Notes:

(1) 2019-21 projection is the three-year average of prior years; remains flat.

(2) Assumes 3% revenue growth.

(3) Assumes 2.5% revenue growth per Seattle Park District revenue assumptions. 2019 and 2020 includes the start of initiative "4.3 - Maintain Waterfront."

Transportation Master Fund (10300)

Amounts in \$1,000s	2016	2017	2017	2018	2019	2020	2021
	Actuals	Adopted	Revised	Proposed	Projected	Projected	Projected
Beginning Fund Balance	70,997	181,957	97,538	113,867	99,824	106,007	98,058
Accounting Adjustments	0	0	0	0	0	0	0
Revised Beginning Fund Balance	70,997	181,957	97,538	113,867	99,824	106,007	98,058
Revenues							
G.O. Bond Proceeds	85,020	53,075	51,275	34,275	41,520	26,308	6,542
Local Improvement District Bonds	0	1,501	1,501	1,410	9,448	32,626	47,295
Operating Transfer In-From ALASKA SEA	16,482	720	720	0	0	0	0
Permit Fees	6,670	3,250	3,250	7,585	7,813	8,047	8,289
Other Private Contributions & Donations	761	473	473	250	4,070	18,360	24,871
Street Maintenance & Repair Charges	374	1,177	1,177	1,975	2,034	2,095	2,158
Miscellaneous - Other Revenues	76	3	3	353	364	375	386
Other Charges - Transportation	28,001	47,426	40,578	44,719	75,425	46,387	46,968
Plan Review & Inspection SDOT	8,202	9,000	9,000	10,425	10,738	11,060	11,392
IF Permit Activities	718	0	0	1,638	1,687	1,738	1,790
IF Charges and Fees	174	1,268	1,268	3,951	4,070	4,192	4,318
IF Architecture/Engineering Services	0	3,825	3,825	17,222	0	0	0
Various Charges	294	0	0	0	0	0	0
IF Other Charges - Transportation	6,089	12,485	12,485	2,379	2,450	2,523	2,599
Operating Transfer In-From Transportation Benefit Distric Fund - \$20	7,882	7,961	7,961	8,480	8,202	8,428	8,663
Operating Transfer In-From Transportation Benefit Distric Fund Prop 1 - \$60	23,784	23,884	23,884	24,302	24,727	25,160	0
Operating Transfer In-From Transportation Benefit Distric Fund Prop 1 - 1% Sales Tax	24,727	25,216	25,216	27,070	27,838	28,767	0
Operating Transfer In-From General Fund	45,508	42,966	42,966	41,904	45,489	46,561	47,872
General Fund - Other	0	0	0	0	0	0	0
State Grants	6,789	6,400	19,466	10,561	42,984	68,594	42,879
Federal Grants	12,413	4,908	25,173	36,892	91,017	5,481	0
IF Capital Contributions & Grants	0	0	0	0	0	0	0
Interlocal Grants	0	0	0	0	0	0	0
Investment Earnings	490	0	0	0	0	0	0
Property Proceeds	0	10,800	10,800	0	30,840	0	0
School Safety Traffic and Pedestrian Improvement Fund	2,679	6,419	6,419	4,527	4,243	3,225	3,238
Commercial Parking Tax-AWV	7,987	8,210	8,377	8,725	9,056	9,464	9,890
Proceeds County-Wide Tax	117	0	0	1,668	1,668	1,668	1,668
BTG-Property Tax Levy	478	0	0	0	0	0	0
Move Seattle Property Tax Levy	93,631	96,984	95,723	97,722	99,762	101,845	103,971
Commercial Parking Tax	32,301	32,838	34,898	34,898	36,225	37,855	39,558
BTG-Employee Hours Tax	(1)	0	0	0	0	0	0
Motor Vehicle Fuel Tax	14,323	13,787	13,787	12,965	12,965	12,965	12,965
Multimodal Transportation	678	0	678	678	1,356	1,356	1,356
Operating Transfer in From Cumulative Reserve Subfund - REET I	27,702	8,750	8,750	3,085	0	0	0

Transportation Master Fund (10300) (con't)

Amounts in \$1,000s	2016	2017	2017	2018	2019	2020	2021
	Actuals	Adopted	Revised	Proposed	Projected	Projected	Projected
Revenues (con't)							
Operating Transfer in From Cumulative Reserve Subfund - REET II	0	22,029	23,899	11,299	5,003	4,894	4,895
Operating Transfer in From Cumulative Reserve Subfund - Street Vacations	0	177	4,171	0	0	0	0
Operating Transfer in From Cumulative Reserve Subfund - Unrestricted	0	0	0	0	0	0	0
Operating Transfer In-From Emergency Subfund	0	0	0	0	0	0	0
Operating Transfer In-From 2000 Park Levy Fund	34	0	0	0	0	0	0
Operating Transfer In-From CEN WF IMP FUND	347	0	0	0	0	0	0
Operating Transfer in From Parking Garage Procee	99	0	0	0	0	0	0
Operating Transfer In-From SCL Fund	0	1,438	1,156	7,400	3,880	1,350	1,350
To Be Determined	0	0	0	0	143,287	67,330	60,255
Total Revenues	454,826	446,968	478,877	458,357	748,161	578,654	495,166
Expenditures							
Bridges and Structures	(9,867)	(11,760)	(11,760)	(11,469)	(11,814)	(12,168)	(12,533)
Engineering Services	(5,846)	(3,776)	(3,776)	(17,032)	(2,093)	(2,155)	(2,220)
Mobility-Operations	(80,375)	(92,743)	(93,684)	(97,878)	(100,814)	(103,839)	(44,312)
ROW Management	(31,391)	(32,851)	(36,435)	(40,140)	(41,345)	(42,585)	(43,863)
Street Maintenance	(25,623)	(30,002)	(30,002)	(31,092)	(32,025)	(32,986)	(33,975)
Urban Forestry	(5,509)	(5,586)	(5,586)	(5,741)	(5,913)	(6,091)	(6,273)
Department Management	(934)	(476)	(476)	(800)	(824)	(849)	(874)
General Expense	(5,406)	(6,661)	(6,661)	(2,590)	(2,668)	(2,748)	(2,830)
- Debt Service	(23,117)	(30,887)	(29,721)	(33,634)	(36,609)	(38,521)	(38,346)
Major Maintenance/Replacement	(59,186)	(73,325)	(73,495)	(46,654)	(78,780)	(58,161)	(53,437)
Major Projects	(102,436)	(73,547)	(73,547)	(37,391)	(63,458)	(123,204)	(133,586)
Mobility-Capital	(78,593)	(86,766)	(97,405)	(147,979)	(365,636)	(163,297)	(114,608)
Total Expenditures	(428,285)	(448,381)	(462,548)	(472,400)	(741,978)	(586,603)	(486,857)
Ending Fund Balance	97,538	180,544	113,867	99,824	106,007	98,058	106,368
Reserves							
Continuing appropriations (defined as Assigned in Summit)	0	(53,654)	(85,334)	(85,334)	(85,334)	(85,334)	(85,334)
Interfund Loan Mercer West	0	0	15,260	17,455	0	0	0
Interfund Loan Streetcar Capital	0	5,950	4,800	4,550	4,300	4,050	3,800
Revenue Stabilizaton	0	0	(6,061)	(6,334)	(6,575)	(6,871)	(7,180)
Planning Reserve	0	1,600	0	0	0	0	0
Total Reserves	0	(46,104)	(71,336)	(69,663)	(87,609)	(88,155)	(88,714)
Ending Unreserved Fund Balance	97,538	134,440	42,532	30,161	18,398	9,904	17,654

Note: The financial plan includes "To Be Determined" (TBD) revenues in 2019 -2021 primarily related to the Broadway Streetcar Extension and the Center City Connector projects. The Center City Connector project is entering the federal grant application process and the City is evaluating funding mechanisms for the Broadway Streetcar Extension project including the creation of a local improvement district. Further project development will be contingent on available resources including new and existing revenues.

The Seattle Public Library Fund (10410)

Amounts in \$1,000s	2016	2017	2017	2018	2019	2020	2021
	Actuals	Adopted	Revised	Proposed	Projected	Projected ¹	Projected
Beginning Fund Balance	2,733	2,329	3,112	3,268	1,901	1,543	(4,256)
Accounting Adjustments	0	0	0	(938)	(805)	0	0
Beginning Fund Balance	2,733	2,329	3,112	2,330	1,095	1,543	(4,256)
Revenues							
Copy & Print Services	231	230	235	235	240	240	245
Fines & Fees	1,366	1,336	1,336	1,288	1,242	1,200	1,175
Parking - Central Library	365	380	360	365	365	370	370
Space Rental	171	198	182	185	185	187	190
Salvage Sales/Materials	52	55	55	55	56	58	60
Miscellaneous Revenue	8	6	6	6	6	7	8
Cable Franchise Fees	530	640	640	642	645	648	650
Interdepartmental Support	0	0	165	0	0	0	0
2012 Library Levy - Operating Support	13,340	15,441	17,043	16,211	17,211	0	0
General Subfund Support	51,990	52,322	52,322	53,860	55,476	57,140	58,855
Total Revenues	68,054	70,607	72,344	72,847	75,426	59,849	61,553
Expenditures							
City Librarian's Office	(833)	(494)	(494)	(508)	(524)	(545)	(561)
Marketing & Online Services	(1,037)	0	0	0	0	0	0
Institutional & Strategic Advancement	(1)	(1,457)	(1,826)	(1,499)	(1,544)	(1,098)	(1,131)
Human Resources	(1,297)	(1,385)	(1,411)	(1,454)	(1,497)	(1,615)	(1,664)
Administrative Services	(10,619)	(10,881)	(11,182)	(11,116)	(11,449)	(9,622)	(9,911)
Information Technology	(4,407)	0	0	0	0	0	0
Library Programs & Services	(49,482)	(55,475)	(56,598)	(58,700)	(59,965)	(52,768)	(54,351)
Other Ordinances	0	0	(675)	0	0	0	0
Total Expenditures	(67,675)	(69,693)	(72,187)	(73,277)	(74,978)	(65,649)	(67,618)
Ending Fund Balance	3,112	3,244	3,268	1,901	1,543	(4,256)	(10,322)
Use of Existing Levy Carryforward Authority							
Institutional and Strategic Advancement	0	0	0	(50)	0	0	0
Library Programs and Services	0	(938)	(938)	(755)	0	0	0
Reserves							
Continuing Appropriations - Operating	(217)	0	0	0	0	0	0
Reserves Against Fund Balance	(11)	0	0	0	0	0	0
Total Reserves	(228)	(938)	(938)	(805)	0	0	0
Ending Unreserved Fund Balance	2,884	2,306	2,330	1,095	1,543	(4,256)	(10,322)

Notes

¹ The Library levy is up for voter renewal in August of 2019.

Seattle Streetcar Fund (10800)¹

Amounts in \$1,000s	2016	2017	2017	2018	2019	2020	2021
	Actuals	Adopted	Revised	Proposed	Projected	Projected	Projected
Beginning Fund Balance	(3,188)	(2,934)	(3,192)	(3,173)	(2,381)	(1,484)	(617)
Accounting Adjustments	0	0	0	0	0	0	0
Revised Beginning Fund Balance	(3,188)	(2,934)	(3,192)	(3,173)	(2,381)	(1,484)	(617)
Revenues							
Farebox - South Lake Union ²	142	106	106	150	155	160	164
Farebox - First Hill ²	81	121	121	125	128	132	136
FTA Funds - South Lake Union	54	365	365	172	172	172	172
FTA Funds - First Hill	0	0	0	258	258	258	258
Donations and Service Contributions - South Lake Union	212	221	221	229	237	245	254
Other Contributions - First Hill	511	0	0	0	0	0	0
Earnings and Losses - First Hill	33	0	0	0	0	0	0
Sponsorship - South Lake Union	301	243	243	317	325	333	341
Sponsorship - First Hill	127	150	150	200	250	300	325
Lease - South Lake Union	89	34	34	0	0	0	0
Sound Transit - First Hill	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Total Revenues³	6,551	6,239	6,239	6,452	6,526	6,600	6,651
Expenditures							
South Lake Union Streetcar Operations and Maintenance	(1,021)	(745)	(745)	(745)	(726)	(723)	(722)
First Hill Streetcar Operations and Maintenance	(5,534)	(5,475)	(5,475)	(4,915)	(4,903)	(5,009)	(5,118)
Total Expenditures	(6,554)	(6,220)	(6,220)	(5,660)	(5,629)	(5,732)	(5,839)
Ending Fund Balance	(3,192)	(2,915)	(3,173)	(2,381)	(1,484)	(617)	194
Reserves							
Reserves against fund balance	0	(100)	(100)	(600)	(600)	(600)	(600)
Total Reserves	0	(100)	(100)	(600)	(600)	(600)	(600)
Ending Unreserved Fund Balance	(3,192)	(3,015)	(3,273)	(2,981)	(2,084)	(1,217)	(406)

Notes

¹ Streetcar Fund (10800)* includes funds 10810, 10820 and 10821

² Farebox revenue does not include ORCA Passport revenues collected by King County.

³ ORCA Passport revenues are included in the Operating Expense.

Metro operating agreement currently ends in 2019.

Pike Place Market Renovation Fund (11010)

Amounts in \$1,000s	2016	2017	2017	2018	2019	2020	2021
	Actuals	Adopted	Revised	Proposed	Projected	Projected	Projected
Beginning Fund Balance	2,857	0	1,987	351	354	355	357
Accounting Adjustments	(38)	0	0	0	0	0	0
Revised Beginning Fund Balance	2,819	0	1,987	351	354	355	357
Revenues							
Real and Personal Property Taxes (1)	27	0	18	2	0	0	0
Investment Earnings	34	0	32	1	1	1	1
Unrealized Gains/(Losses) - Inv GASB3	(9)	0	0	0	0	0	0
Total Revenues	53	0	60	3	1	1	1
Expenditures							
Intergovernmental Contributions	884	0	1,697	0	0	0	0
Total Expenditures	884	0	1,697	0	0	0	0
Ending Fund Balance	1,987	0	351	354	355	357	358
Reserves							
Pike Place Market - Eligible Levy Expenses	1,697	0	0	0	0	0	0
Total Reserves	1,697	0	0	0	0	0	0
Ending Unreserved Fund Balance (2)	290	0	351	354	355	357	358

Notes

(1) Estimate of residual property taxes to be received as late tax payments.

(2) Any remaining balance will remain with the City and be applied to offset other general obligation tax collections once Fund

Seattle Center Operating Fund (11410)

Amounts in \$1,000s	2016	2017	2017	2018	2019	2020	2021
	Actuals	Adopted	Revised	Proposed	Projected	Projected	Projected
Beginning Fund Balance	4,799	4,175	6,658	6,101	5,244	5,067	5,285
Accounting Adjustments	(243)	0	0	0	0	0	0
Revised Beginning Fund Balance	4,557	4,175	6,658	6,101	5,244	5,067	5,285
Revenues							
Armory	1,171	1,230	1,230	1,265	1,303	1,342	1,382
CIP Reimbursement of Operating Fund	1,066	1,507	1,507	1,538	1,584	1,632	1,681
Concessions & Catering	1,625	1,261	1,261	1,501	1,546	1,593	1,641
General Fund	14,210	13,044	12,813	12,982	13,283	13,682	14,092
Leases	3,082	3,354	3,463	3,646	3,755	3,868	3,984
Parking	6,081	6,276	6,276	6,276	6,464	6,658	6,858
Reimbursables	7,066	6,200	6,200	6,585	6,782	6,986	7,196
Rent/Facility Surcharge	3,492	2,984	2,984	3,033	3,124	3,218	3,314
Tenant Use Fees	1,339	1,176	1,176	1,324	1,364	1,405	1,447
Ticketing	2,845	1,838	1,838	2,080	2,143	2,207	2,273
Other Revenue	3,272	3,570	3,666	3,688	3,798	3,912	4,029
Total Revenues	45,250	42,440	42,415	43,918	45,148	46,502	47,897
Expenditures							
Access	(1,249)	(1,194)	(1,194)	(1,228)	(1,265)	(1,303)	(1,342)
Administration	(8,536)	(8,960)	(8,960)	(8,259)	(8,243)	(8,490)	(8,745)
Campus Grounds	(12,714)	(13,493)	(13,493)	(14,297)	(14,726)	(15,168)	(15,623)
Campus Commercial Events	(1,768)	(1,668)	(1,668)	(1,714)	(1,766)	(1,818)	(1,873)
Community Programs	(2,467)	(2,275)	(2,275)	(2,439)	(2,513)	(2,588)	(2,666)
Cultural Facilities	(311)	(256)	(256)	(265)	(272)	(281)	(289)
Debt	(124)	(125)	(125)	(126)	(130)	(133)	(137)
Festivals	(1,320)	(1,486)	(1,486)	(1,534)	(1,580)	(1,628)	(1,677)
Judgment and Claims	-	(223)	(223)	(194)	(200)	(206)	(212)
KeyArena	(9,353)	(8,034)	(8,034)	(8,908)	(9,175)	(9,450)	(9,734)
McCaw Hall	(4,921)	(4,659)	(4,659)	(4,811)	(4,955)	(5,104)	(5,257)
Quarterly Supplementals	0	0	(96)	0	0	0	0
NE Quadrant Spending	(385)	(500)	(500)	(1,000)	(500)	(115)	0
Total Expenditures	(43,148)	(42,875)	(42,971)	(44,775)	(45,325)	(46,284)	(47,555)
Ending Fund Balance	6,658	3,741	6,101	5,244	5,067	5,285	5,627
Reserves							
Reserves against fund balance	(1,821)	(1,742)	(1,821)	(1,821)	(1,821)	(1,742)	(1,821)
Long-Term Receivables		(1,051)	(1,018)	(893)	(768)	(643)	(518)
Total Reserves	(1,821)	(2,793)	(2,840)	(2,715)	(2,590)	(2,385)	(2,340)
Ending Unreserved Fund Balance	4,837	948	3,262	2,529	2,477	2,899	3,288

Wheelchair Accessible Fund (12100)

Amounts in \$1,000s	2016	2017	2017	2018	2019	2020	2021
	Actuals	Adopted	Revised	Proposed	Projected	Projected	Projected
Beginning Fund Balance	724	0	1,512	2,277	3,014	3,717	4,380
Accounting Adjustments	(9)	0					
Revised Beginning Fund Balance	715	0	1,512	2,277	3,014	3,717	4,380
Revenues							
Fees	1,443	1,488	1,487	1,531	1,577	1,624	1,673
Investment Earnings	18	0	0	0	0	0	0
Unrealized Gains/(Losses) - Inv GASB31	(9)	0	0	0	0	0	0
Total Revenues	1,452	1,488	1,487	1,531	1,577	1,624	1,673
Expenditures							
Expenditures	(654)	(1,488)	(722)	(794)	(961)	(789)	(813)
Total Expenditures	(654)	(1,488)	(722)	(794)	(874)	(961)	(1,057)
Ending Fund Balance	1,512	0	2,277	3,014	3,717	4,380	4,996
Reserves							
Total Reserves	0	0	0	0	0	0	0
Ending Unreserved Fund Balance	1,512	0	2,277	3,014	3,717	4,380	4,996

Assumptions and Notes

1. Assumed 3% annual accumulative increase in fees
2. Assumed 10% annual accumulated increase in distribution

Elections Voucher Fund (12300)

Amounts in \$1,000s	2016 Actuals	2017 Adopted	2017 Revised	2018 Proposed	2019 Projected	2020 Projected	2021 Projected
Beginning Fund Balance	0	1,933	1,944	2,897	5,189	2,823	5,183
Accounting Adjustments							
<i>Beginning Unreserved Fund Balance</i>	0	1,933	1,944	2,897	5,189	2,823	5,183
Revenues							
Elections Voucher Program Levy	2,959	3,000	3,000	3,000	3,000	3,000	3,000
<i>Total Revenues</i>	2,959	3,000	3,000	3,000	3,000	3,000	3,000
Expenditures							
Staffing and Administration	(574)	(349)	(349)	(358)	(515)	(424)	(536)
Voucher Printing, Mailing, and Processing	(130)	(736)	(406)	(220)	(590)	(170)	(656)
Technology	(311)	(197)	(110)	(130)	(61)	(46)	(61)
Candidate Voucher Expenditures	0	(3,000)	(1,182)	0	(4,200)	0	(6,200)
<i>Total Expenditures</i>	(1,015)	(4,282)	(2,047)	(708)	(5,366)	(640)	(7,453)
<i>Ending Fund Balance</i>	1,944	651	2,897	5,189	2,823	5,183	730
<i>Ending Unreserved Fund Balance</i>	1,944	651	2,897	5,189	2,823	5,183	730

Department of Education and Early Learning (Fund 14100)

Amounts in \$1,000s	2016	2017	2017	2018	2019	2020	2021
	Actuals	Adopted	Revised	Proposed	Projected	Projected	Projected
Beginning Fund Balance	1,052	2,090	2,090	1,383	1,202	(17,619)	(83,284)
Accounting Adjustments							
Beginning Unreserved Fund Balance	1,052	2,090	2,090	1,383	1,202	(17,619)	(83,284)
Revenues							
Levy - 2011 Families and Education	30,168	38,262	38,262	40,887	28,304	0	0
Levy - Seattle Preschool Program	6,123	12,516	12,516	18,048	14,355	0	0
Parent Tuition - SPP	342	1,541	1,541	2,555	2,158	0	0
General Fund	7,046	10,353	10,353	14,039	14,460	14,894	15,341
State of Washington - ECEAP	3,895	3,919	3,919	3,919	3,919	3,919	3,919
Gates Foundation Grant Rev	348	0	0	0	0	0	0
Tudor Foundation Grant Rev	10	0	0	0	0	0	0
Total Revenues	47,933	66,591	66,591	79,448	63,197	18,814	19,260
Expenditures							
Director's Office	(22,789)	(3,114)	(3,114)	(4,057)	(4,179)	(4,304)	(4,433)
Finance and Administration	(2,170)	(2,758)	(2,758)	(3,526)	(3,631)	(3,740)	(3,852)
K-12	0	(27,484)	(27,484)	(29,429)	(30,312)	(31,221)	(32,158)
Early Learning	(21,448)	(33,235)	(33,235)	(42,617)	(43,896)	(45,213)	(46,569)
SYVPI	(489)	0	0	0	0	0	0
Quarterly Supplementals	0	0	(708)	0	0	0	0
Total Expenditures	(46,895)	(66,591)	(67,299)	(79,629)	(82,018)	(84,478)	(87,013)
Ending Fund Balance	2,090	2,090	1,383	1,202	(17,619)	(83,284)	(151,037)
Reserves							
Reserves against fund balance	(2,090)	(2,090)	(1,383)	(1,202)	17,619	83,284	151,037
Total Reserves	(2,090)	(2,090)	(1,383)	(1,202)	17,619	83,284	151,037
Ending Unreserved Fund Balance	0	0	0	0	0	0	0

Notes

*Both the Families and Education Levy and the Seattle Preschool Program Levy end collections in 2018 and fully fund the 2018-19 school year. As a result, revenues from those sources are only for half a year in 2019 while expenses are for a full year. To maintain the same level of service, alternative revenue sources will be required.

Construction and Inspections Fund (15700)

Amounts in \$1,000s	2016 Actuals	2017 Adopted	2017 Revised	2018 Proposed	2019 Projected	2020 Projected	2021 Projected
Beginning Fund Balance	40,545	67,097	60,600	55,334	51,133	45,790	39,707
Accounting Adjustments	0	0	0	0	0	0	0
Revised Beginning Fund Balance	40,545	67,097	60,600	55,334	51,133	45,790	39,707
Revenues							
Boiler	1,236	1,219	1,219	1,252	1,287	1,323	1,359
Building Development	46,969	44,041	36,977	36,260	35,400	34,484	35,742
Contingent Revenues - Unaccessed	0	8,064	8,064	8,064	8,064	8,064	8,064
Cum. Reserve Subfund-REET I - TRAO	337	360	360	360	365	371	376
Cum. Reserve Subfund-Unrestricted - TRAO	79	81	81	83	84	86	87
Electrical	8,280	8,325	8,014	7,940	7,838	7,725	8,084
Elevator	3,775	3,741	3,741	3,844	3,953	4,062	4,174
General Fund	6,682	7,038	7,038	6,816	7,020	7,231	7,448
OPCD General Fund Overhead Payment 2016	1,729	0	0	0	0	0	0
Grants/MOAs - All Else	22	0	0	0	0	0	0
Grants/MOAs - SPU MOA for Side Sewer & Drainage	1,667	1,200	1,200	1,200	1,200	1,200	1,200
Interest	501	443	443	343	258	257	272
Land Use	9,311	9,216	10,080	9,063	8,584	8,082	8,930
Other	2,392	2,172	2,172	2,084	2,279	2,230	2,316
Rental Housing Registration	2,655	1,408	765	544	1,537	3,196	4,564
Site Review	3,023	2,696	2,696	2,803	2,915	3,028	3,144
Total Revenues	88,657	90,004	82,850	80,656	80,785	81,339	85,760
Expenditures							
Annual Certification and Inspection	\$ (4,309)	\$ (5,361)	\$ (5,393)	\$ (5,177)	\$ (5,255)	\$ (5,334)	\$ (5,414)
Code Compliance	\$ (8,470)	\$ (9,553)	\$ (9,663)	\$ (9,563)	\$ (9,706)	\$ (9,852)	\$ (9,999)
Construction Inspections	\$ (17,258)	\$ (21,725)	\$ (21,840)	\$ (21,345)	\$ (21,665)	\$ (21,990)	\$ (22,320)
Construction Permit Services	\$ (19,308)	\$ (26,181)	\$ (26,300)	\$ (25,397)	\$ (25,778)	\$ (26,165)	\$ (26,558)
Department Leadership	0	0	0	0	0	0	0
Land Use Services	\$ (15,395)	\$ (20,430)	\$ (20,540)	\$ (20,254)	\$ (20,558)	\$ (20,867)	\$ (21,180)
Process Improvements and Technology	\$ (3,862)	\$ (4,341)	\$ (4,380)	\$ (3,119)	\$ (3,166)	\$ (3,214)	\$ (3,262)
Total Expenditures	(68,602)	(87,590)	(88,116)	(84,857)	(86,129)	(87,421)	(88,733)
Ending Fund Balance	60,600	69,511	55,334	51,133	45,790	39,707	36,734
Reserves							
Core Staffing	0	4,385	16,000	16,440	16,769	17,104	17,446
Process Improvements and Technology	0	2,116	1,300	2,600	3,900	5,200	6,500
Tenant Improvements	0	0	0	1,040,000	2,080	3,120	4,160
Total Reserves	0	6,501	17,300	20,080	22,749	25,424	28,106
Ending Unreserved Fund Balance	60,600	63,010	38,034	31,053	23,041	14,283	8,628

Human Services Operating Fund (16200)

Amounts in \$1,000s	2016	2017	2017	2018	2019	2020	2021
	Actuals	Adopted	Revised	Proposed	Projected	Projected	Projected
Beginning Fund Balance	18,751	11,111	13,729	11,277	11,279	11,646	10,618
Accounting Adjustments	0	0	0	0	0	0	0
Beginning Fund Balance	18,751	11,111	13,729	11,277	11,279	11,646	10,618
Revenues							
General Fund	80,861	90,580	91,571	95,480	98,344	101,294	104,333
Federal Grants	34,747	39,710	40,142	42,106	48,384	48,868	49,357
State Grants	16,922	15,997	15,997	17,282	16,952	17,121	17,292
Administrative Fees	3,031	3,815	3,909	3,675	3,711	3,749	3,786
Interlocal Grants	572	543	543	802	810	819	827
Zoning & Subdivision Fees	1,651	500	500	4,000	505	510	515
Contributions / Private Sources	238	693	693	93	0	0	0
Investment Earnings	67	90	90	19	19	19	20
Total Revenues	138,089	151,928	153,445	163,456	168,726	172,380	176,129
Expenditures							
Aging and Disability Services	(38,378)	(39,802)	(39,802)	(43,385)	(44,686)	(46,027)	(47,408)
Leadership and Administration	(16,151)	(16,931)	(16,931)	(18,548)	(19,104)	(19,678)	(20,268)
Public Health Services	(11,992)	(12,633)	(12,633)	(12,874)	(13,260)	(13,658)	(14,068)
Community Support & Assistance	(49,445)	0	0	0	0	0	0
Homeless Strategy & Investments	0	(56,546)	(56,546)	(58,771)	(60,534)	(62,350)	(64,221)
Youth and Family Empowerment	(27,145)	(27,536)	(27,536)	(29,876)	(30,773)	(31,696)	(32,647)
Quarterly Supplementals	0	0	(2,449)	0	0	0	0
Total Expenditures	(143,112)	(153,449)	(155,898)	(163,454)	(168,358)	(173,408)	(178,611)
Ending Fund Balance	13,729	9,590	11,277	11,279	11,646	10,618	8,136
Reserves							
Mandatory Reserve for Child Care Bonus Funds	(8,071)	(6,399)	(8,399)	(4,399)	(3,894)	(3,384)	(2,869)
Other Mandatory Restrictions	(3,540)	(2,391)	(2,391)	(1,795)	(1,731)	(1,667)	(1,601)
Reserve for Cash Flow and Benefits/Paid Leave	(300)	(300)	(300)	(300)	(300)	(300)	(300)
Total Reserves	(11,911)	(9,090)	(11,090)	(6,494)	(5,925)	(5,350)	(4,770)
Ending Unreserved Fund Balance	1,818	500	187	4,784	5,721	5,267	3,366

Office of Housing Low-Income Housing Fund (16400)

Amounts in \$1,000s	2016	2017	2017	2018	2019	2020	2021
	Actuals	Adopted	Revised	Proposed	Projected	Projected	Projected
Beginning Fund Balance	136,769	140,649	153,391	160,971	168,430	175,906	183,383
Accounting Adjustments	(1,204)	0	0	0	0	0	0
Total Beginning Fund Balance	135,565	140,649	153,391	160,971	168,430	175,906	183,383
Revenues							
Property Tax Levy	17,878	37,862	37,862	37,862	37,862	37,862	37,862
State/Federal Weatherization Grants	873	1,608	1,608	1,608	1,608	1,608	1,608
Local Grants - Weatherization	1,824	1,632	1,665	1,665	1,665	1,665	1,665
Federal Grants - HOME Program	260	2,262	2,262	2,262	2,262	2,262	2,262
Bonus/MHA Program	20,193	18,000	18,000	18,000	18,000	18,000	18,000
Interest Earnings	2,065	2,000	2,000	2,000	2,000	2,000	2,000
Program Income	7,543	4,000	4,000	4,000	4,000	4,000	4,000
Unrealized gains/losses	0	29,000	29,000	33	50	50	50
Total Revenues	50,635	96,364	96,397	67,430	67,447	67,447	67,447
Expenditures							
Homeownership and Sustainability	(3,171)	(7,387)	(7,387)	(7,420)	(7,420)	(7,420)	(7,420)
Multi-Family Production/Preservation	(29,638)	(81,430)	(81,430)	(52,551)	(52,551)	(52,551)	(52,551)
Total Expenditures	(32,809)	(88,817)	(88,817)	(59,971)	(59,971)	(59,971)	(59,971)
Ending Fund Balance	153,391	148,196	160,971	168,430	175,906	183,383	190,860
Reserved Fund Balances							
Transfer to HSD for Rental Assistance	0	(1,791)	(1,791)	(1,791)	(1,791)	(1,791)	(1,791)
Continuing appropriations	(121,814)	(110,824)	(123,599)	(127,129)	(130,755)	(134,463)	(138,327)
Reserves against FB (see Note 1)	(31,577)	(35,581)	(35,581)	(39,511)	(43,361)	(47,129)	(50,742)
Total Reserves	(153,391)	(148,196)	(160,971)	(168,430)	(175,906)	(183,383)	(190,860)
Ending Unreserved Fund Balance	0	0	0	0	0	0	0

Notes:

1. This represents O&M Trust Funds, which are legally reserved, but not encumbered in Summit.

Office of Housing Operating Fund (16600)

Amounts in \$1,000s	2016 Actuals	2017 Adopted	2017 Revised	2018 Proposed	2019 Projected	2020 Projected	2021 Projected
Beginning Fund Balance	1,883	2,234	2,234	3,252	4,047	4,847	5,375
Accounting Adjustments							
<i>Revised Beginning Fund Balance</i>	1,883	2,234	2,234	3,252	4,047	4,847	5,375
Revenues							
Property Tax Levy Admin	1,809	3,566	3,566	3,566	3,566	3,566	3,566
State/Federal Weatherization Grants Admin	525	985	985	985	985	985	985
Local Grants - Weatherization Admin	978	760	760	775	794	814	835
Federal Grants - HOME Program Admin	190	226	226	226	226	226	226
Bonus/MHA Program Admin	1,563	2,000	2,000	2,000	2,000	2,000	2,000
Multifamily Tax Exemption Fees	92	120	160	160	160	160	160
General Subfund	416	243	533	286	147	151	155
Miscellaneous	168	0	0	0	0	0	0
<i>Total Revenues</i>	5,741	7,901	8,231	7,999	7,880	7,903	7,927
Expenditures							
Multifamily Production and Preservation	(1,096)	(1,382)	(1,382)	(1,621)	(1,776)	(1,939)	(1,987)
Homeownership and Sustainability	(1,140)	(1,387)	(1,387)	(1,451)	(1,487)	(1,524)	(1,562)
Community Development	(689)	(911)	(911)	(1,051)	(1,077)	(1,104)	(1,131)
Administration and Management	(2,465)	(2,983)	(3,273)	(3,082)	(2,740)	(2,809)	(2,879)
Challenge Grant	0	0	(260)	0	0	0	0
<i>Total Expenditures</i>	(5,389)	(6,663)	(7,213)	(7,204)	(7,080)	(7,375)	(7,560)
<i>Ending Fund Balance</i>	2,234	3,472	3,252	4,047	4,847	5,375	5,742
Reserves							
<i>Total Reserves</i>	0	0	0	0	0	0	0
<i>Ending Unreserved Fund Balance</i>	2,234	3,472	3,252	4,047	4,847	5,375	5,742

Notes:

Ending Unreserved Fund Balance has two components:

1. OH will receive 1/7th of Levy admin revenue each year between 2017 and 2023. However, due to inflation, the related expenses will not be spent evenly over the seven years. In the first four years (2017-2020), levy admin revenue will be higher than levy admin expenses. This excess is reserved for the last three years of the levy (2021-2023) when the levy admin expenses will exceed levy admin revenue.
2. The remaining unreserved fund balance is projected MHA/Bonus admin revenues. If these projections are accurate and we do end up with a sizable balance, we will shift excess admin funds to capital.

Families & Education Levy Financial Plan (Fund 17857)

Amounts in \$1,000s	2016	2017	2017	2018	2019	2020	2021
	Actuals	Adopted	Revised	Proposed	Projected	Projected	Projected
Beginning Fund Balance	50,225	49,308	52,383	48,530	42,241	14,523	(2,343)
Accounting Adjustments	(790)	0	0	0	0	0	0
Beginning Unreserved Fund Balance	49,435	49,308	52,383	48,530	42,241	14,523	(2,343)
Revenues							
Property Tax	33,250	33,598	33,598	33,934	509	0	0
Investment Earnings	810	811	811	664	77	0	0
Unrealized gains/losses	(282)	0	0	0	0	0	0
Total Revenues	33,778	34,409	34,409	34,598	586	0	0
Expenditures							
Early Learning	(7,948)	(10,173)	(10,173)	(11,084)	(8,100)	(5,000)	0
Elementary	(6,352)	(9,484)	(9,484)	(10,383)	(7,500)	(3,000)	0
Middle Schools	(5,697)	(7,185)	(7,185)	(7,564)	(5,000)	(3,000)	0
High Schools	(2,820)	(3,183)	(3,183)	(3,426)	(2,000)	(4,000)	0
Health	(6,458)	(6,657)	(6,657)	(6,816)	(4,800)	(1,000)	0
Administration	(1,556)	(1,580)	(1,580)	(1,613)	(904)	(866)	0
Total Expenditures	(30,830)	(38,262)	(38,262)	(40,887)	(28,304)	(16,866)	0
Ending Fund Balance	52,383	45,455	48,530	42,241	14,523	(2,343)	(2,343)
Reserves							
Reserve for out-year project spending	(52,383)	(45,455)	(48,530)	(42,241)	(14,523)	2,343	2,343
Total Reserves	(52,383)	(45,455)	(48,530)	(42,241)	(14,523)	2,343	2,343
Ending Unreserved Fund Balance	0	0	0	0	0	0	0

Notes

The Families & Education Levy will end collections in 2018 and the remaining funding will be tapered down through 2020. To maintain the same level of service, alternative revenue sources will be required.

Seattle PreSchool Levy (Fund 17861)

Amounts in \$1,000s	2016 Actuals	2017 Adopted	2017 Revised	2018 Proposed	2019 Projected	2020 Projected	2021 Projected
Beginning Fund Balance	12,367	18,453	20,451	22,412	18,870	(282)	(282)
Accounting Adjustments	(282)	0	0	0	0	0	0
Beginning Unreserved Fund Balance	12,085	18,453	20,451	22,412	18,870	(282)	(282)
Revenues							
Property Taxes-Seattle PreSchool Levy	14,462	14,476	14,476	14,506	326	0	0
Investment Earnings	229	0	0	0	0	0	0
Unrealized gains/losses	(115)	0	0	0	0	0	0
Parent Tuition - Seattle Preschool Program	0	1,541	1,541	2,555	2,158	0	0
Total Revenues	14,576	16,017	16,017	17,060	2,484	0	0
Expenditures							
School Readiness	(2,401)	(6,404)	(6,404)	(11,606)	(16,895)	0	0
Program Support	(678)	(1,392)	(1,392)	(2,161)	(1,732)	0	0
Capacity Building	(316)	(2,807)	(2,807)	(2,913)	(1,964)	0	0
Research and Evaluation	(693)	(760)	(760)	(820)	(917)	0	0
Administration	(1,906)	(2,329)	(2,329)	(2,577)	(100)	0	0
Contingency	(128)	(365)	(365)	(526)	(28)	0	0
SPP Miller Annex Project	(86)	0	0	0	0	0	0
Total Expenditures	(6,209)	(14,057)	(14,057)	(20,602)	(21,636)	0	0
Ending Fund Balance	20,451	20,414	22,412	18,870	(282)	(282)	(282)
Reserves							
Reserve for out-year project spending	(20,451)	(20,414)	(22,412)	(18,870)	282	282	282
Total Reserves	(20,451)	(20,414)	(22,412)	(18,870)	(282)	(282)	(282)
Ending Unreserved Fund Balance	0	0	0	0	0	0	0

Notes

The Seattle Preschool Program Levy will end collections in 2018 and the remaining funding will be tapered down through 2020. To maintain the same level of service, alternative revenue sources will be required.

The 2012 Seattle Public Library Levy (18100)

Amounts in \$1,000s	2016	2017	2017	2018	2019	2020	2021
	Actuals	Adopted	Revised	Proposed	Projected	Projected	Projected
Beginning Fund Balance	9,582	5,941	10,719	3,667	1,172	0	0
Accounting Adjustments	0	(938)	0	(805)	0	0	0
Beginning Fund Balance	9,582	5,003	10,719	2,862	1,172	0	0
Revenues							
Estimated property taxes to be collected	17,432	17,513	17,513	17,688	17,865	0	0
Investment Earnings	121	100	125	100	50	0	0
Total Revenues	17,553	17,613	17,638	17,788	17,915	0	0
Expenditures							
Maintain 2012 Levels	(4,591)	(4,695)	(4,695)	(4,828)	(4,973)	0	0
Open Hours and Related Services	(3,659)	(4,281)	(4,284)	(4,405)	(4,537)	0	0
Collections	(2,700)	(3,117)	(3,336)	(3,281)	(3,382)	0	0
Technology and Online Services	(1,231)	(1,617)	(2,559)	(1,923)	(2,492)	0	0
Facilities - Regular Maintenance	(931)	(1,433)	(1,864)	(1,464)	(1,508)	0	0
Facilities - Major Maintenance ¹	(3,076)	(3,673)	(6,447)	(4,072)	(1,876)	0	0
Administration	(227)	(299)	(304)	(312)	(321)	0	0
Ongoing Support for Library Operations	0	0	(1,200)	0	0	0	0
Use of Existing Budget Authority ²	0	938	0	805	0	0	0
Total Expenditures	(16,416)	(18,176)	(24,690)	(19,479)	(19,087)	0	0
Ending Fund Balance	10,719	4,440	3,667	1,172	0	0	0
Reserves							
Levy Reserve for Future Use ³	0	(805)	0	0	0	0	0
Continuing Appropriations - Operating	0	0	(805)	0	0	0	0
Continuing Appropriations - Capital	0	0	0	0	0	0	0
Total Reserves	0	(805)	(805)	0	0	0	0
Ending Unreserved Fund Balance	10,719	3,635	2,862	1,172	0	0	0

Notes

¹ Removes appropriation of levy authority carrying forward from a prior period

² Prior year levy underspend for operations is reallocated in 2017 and 2018

³ The Library levy is up for voter renewal in August 2019

School Safety Traffic and Pedestrian Improvement Fund (18500)

Amounts in \$1,000s	2016	2017	2017	2018	2019	2020	2021
	Actuals	Adopted	Revised	Proposed	Projected	Projected	Projected
Beginning Fund Balance	1,843	1,118	8,863	9,744	11,110	11,691	12,917
Accounting Adjustments	0	0	0	0	0	0	0
Revised Beginning Fund Balance	1,843	1,118	8,863	9,744	11,110	11,691	12,917
Revenues							
School Camera Infraction Revenue	13,218	8,171	9,858	7,329	6,507	6,139	5,978
Red Light Cameras Revenue (10%)	472	850	780	800	800	800	800
Interest Earnings	46	0	0	0	0	0	0
Total Revenues	13,737	9,021	10,638	8,129	7,307	6,939	6,778
Expenditures							
Operations and Maintenance	(1,032)	(723)	(723)	(734)	(992)	(1,010)	(1,027)
Capital Improvement Program	(1,646)	(5,646)	(5,646)	(3,792)	(3,496)	(2,465)	(2,465)
Camera Operations, Administration, a	(4,038)	(2,238)	(2,238)	(2,238)	(2,238)	(2,238)	(2,238)
SPS School Buses	0	0	(1,150)	0	0	0	0
Total Expenditures	(6,716)	(8,607)	(9,757)	(6,764)	(6,726)	(5,713)	(5,730)
Ending Fund Balance	8,863	1,533	9,744	11,110	11,691	12,917	13,965
Reserves							
Planning Reserve	0	580	580	580	580	580	580
Continuing Appropriations	0	0	7,295	7,295	7,295	7,295	7,295
SPS School Buses Anticipated Carryfor	0	0	1,150	1,150	1,150	1,150	1,150
ADA Improvements	0	0	0	1,475	2,400	3,650	4,650
Total Reserves	0	580	9,025	10,500	11,425	12,675	13,675
Ending Unreserved Fund Balance	8,863	953	719	610	266	242	290

Parks Capital Fund (33140)

Amounts in \$1,000s	2016	2017	2017	2018	2019	2020	2021
	Actuals	Adopted	Revised	Proposed	Projected	Projected	Projected
Beginning Fund Balance	0	0	0	0	0	0	0
Beginning Unreserved Fund Balance	0	0	0	0	0	0	0
Revenues							
Operating Transfer In	34,736	36,840	37,167	39,999	38,692	37,228	34,407
Total Revenues	(12,098)	36,840	37,167	39,999	38,692	37,228	34,407
Expenditures							
Community Center Rehabilitation & Development	(428)	(3,072)	(3,399)	(3,484)	(3,571)	(3,661)	(3,752)
Major Maintenance Backlog and Asset Management	(6,677)	(18,360)	(18,360)	(18,819)	(19,289)	(19,771)	(20,265)
Saving our City Forests	(2,189)	(2,251)	(2,251)	(2,308)	(2,365)	(2,425)	(2,486)
Zoo Major Maintenance	(1,773)	(1,845)	(1,845)	(1,891)	(1,938)	(1,987)	(2,037)
Rejuvenate Our P-Patches	(240)	(205)	(205)	(210)	(215)	(221)	(226)
Activating and Connecting to Greenways	(145)	(205)	(205)	(210)	(215)	(221)	(226)
Develop 14 New Parks at Land-Banked Sites	(365)	(5,299)	(5,299)	(5,030)	(2,892)	(407)	0
Major Projects Challenge Fund	(74)	(1,640)	(1,640)	(1,681)	(1,723)	(1,766)	(1,810)
Park Land Acquisition and Leverage Fund	(51)	(2,050)	(2,050)	(2,101)	(2,154)	(2,208)	(2,263)
Aquarium Major Maintenance	0	(1,107)	(1,107)	(1,135)	(1,163)	(1,192)	(1,222)
Improve Dog Off-Leash Areas	0	(109)	(109)	(112)	(115)	(117)	(120)
Waterfront Project	0	0	0	0	(1,102)	(3,252)	0
Smith Cove Park Development ¹	(158)	(697)	(697)	(3,018)	(1,950)	0	0
Total Expenditures	(12,098)	(36,840)	(37,167)	(39,999)	(38,692)	(37,228)	(34,407)
Ending Fund Balance	0	0	0	0	0	0	0

Notes

¹ Note: Smith Cove Park Development is supported by revenues from the park district and from an interfund loan.

2008 Parks Levy Fund (33860)

Amounts in \$1,000s	2016	2017	2017	2018	2019	2020	2021
	Actuals	Adopted	Revised	Proposed	Projected	Projected	Projected
Beginning Fund Balance	39,018	18,548	28,089	19,016	22,045	22,145	22,245
Accounting Adjustment							
Beginning Unreserved Fund Balance	39,018	18,548	28,089	19,016	22,045	22,145	22,245
Revenues							
Taxes and Interest	476	40	130	100	100	100	150
Grants and Other Revenue ¹	224	0	3,797	2,930	0	0	0
Total Revenues	700	40	3,927	3,030	100	100	150
Expenditures ²							
2008 Levy-Neighborhood Pk Acq	(2,212)	0	(1,300)	0	0	0	0
2008 Levy-Green Space Acquisition	(514)	0	(405)	0	0	0	0
2008 Levy Neighborhood Pks & PG	(4,732)	0	(6,077)	0	0	0	0
2008 Levy-Cultural Facilities	(2)	0	(126)	0	0	0	0
2008 Levy- Major Parks	(107)	0	0	0	0	0	0
Forest & Stream Restoration	0	0	0	0	0	0	0
Comm Gardens & P-Patch	(6)	0	(10)	0	0	0	0
2008 Levy Shoreline Access	(93)	0	0	0	0	0	0
2008 Levy Opportunity Fund Dev	(3,959)	0	(4,554)	0	0	0	0
Trails-SDOT	(4)	0	(529)	0	0	0	0
Total Expenditures	(11,629)	0	(13,001)	0	0	0	0
Ending Fund Balance	28,089	18,588	19,016	22,045	22,145	22,245	22,395
Reserves							
<i>Planned 2017, 18, 19 Spending</i>							
2008 Levy-Neighborhood Pk Acq	0	(1,687)	0	(2,537)	(2,537)	(2,537)	(2,537)
2008 Levy-Green Space Acq	0	(122)	0	(2)	(2)	(2)	(2)
2008 Levy Neighborhood Pks & Pg	0	(8,305)	0	(7,139)	(7,139)	(7,139)	(7,139)
2008 Levy-Cultural Facilities	0	0	0	(11)	(11)	(11)	(11)
2008 Levy- Major Parks	0	0	0	(2)	(2)	(2)	(2)
Forest & Stream Restoration	0	0	0	0	0	0	0
Comm Gardens & P-Patch	0	0	0	(1)	(1)	(1)	(1)
2008 Levy Shoreline Access	0	0	0	0	0	0	0
2008 Levy Opportunity Fund Dev	0	(5,390)	0	(5,531)	(5,531)	(5,531)	(5,531)
Parks Continuing Appropriations	(26,925)	0	(13,664)	0	0	0	0
SDOT Continuing Appropriations	(3,529)	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)
Total Reserves	(30,454)	(18,504)	(16,664)	(18,223)	(18,223)	(18,223)	(18,223)
Ending Unreserved Fund Balance	(2,365)	84	2,352	3,822	3,922	4,022	4,172

Notes

¹ Grants and Other Revenue is primarily KC County Conservation Futures funds.

² 2008 Parks Levy projects are appropriated as needed. 2018-2021 expenditures are estimated and are either appropriated from a previous year or yet to be appropriated

McCaw Hall Capital Reserve Fund (34070)

Amounts in \$1,000s	2016	2017	2017	2018	2019	2020	2021
	Actuals	Adopted	Revised	Proposed	Projected	Projected	Projected
Beginning Fund Balance	686	818	1,191	1,380	919	459	0
Accounting Adjustments							
Revised Beginning Fund Balance	686	818	1,191	1,380	919	459	0
Revenues							
REET I	265	273	273	281	290	299	308
McCaw Hall Tenant Contributions	265	273	273	281	290	299	308
Interest Earnings	8	10	10	10	10	10	10
Total Revenues	538	556	556	572	590	608	626
Expenditures							
McCaw Hall Asset Preservation	(33)	(963)	(367)	(1,033)	(1,050)	(1,067)	(626)
Total Expenditures	(33)	(963)	(367)	(1,033)	(1,050)	(1,067)	(626)
Ending Fund Balance	1191	411	1380	919	459	0	0
Reserves							
Ending Unreserved Fund Balance	1191	411	1380	919	459	0	0

Fire Facilities Levy Fund (34440)

Amounts in \$1,000s	2016 Actuals	2017 Adopted	2017 Revised	2018 Proposed	2019 Projected	2020 Projected	2021 Projected
Beginning Fund Balance	5,375	3,283	1,868	0	0	0	0
Accounting Adjustments	(21)	0	0	0	0	0	0
Revised Beginning Fund Balance	5,353	3,283	1,868	0	0	0	0
Revenues							
Real & Personal Property Tax	2	0	4	0	0	0	0
Investment Earnings-Residual Cash	66	0	30	0	0	0	0
Unrealized Gains/Losses-Inv GASB31	(13)	0	57	0	0	0	0
Property Sales (anticipated)	55	0	91	0	0	0	0
Misc Revenue	0	0	0	0	0	0	0
Total Revenues	55	0	91	0	0	0	0
Expenditures							
Neighborhood Stations	(3,539)	(3,283)	(1,959)	0	0	0	0
Total Expenditures	(3,539)	(3,283)	0	0	0	0	0
Ending Fund Balance	1,868	0	(1,959)	0	0	0	0
Reserves							
Continuing appropriations	0	0	0	0	0	0	0
Total Reserves	0	0	0	0	0	0	0
Ending Unreserved Fund Balance	1,868	0	0	0	0	0	0

Note

Additional funding requested in the 2017 3QS (item 4.4) for FS 32 construction is REET and will not pass through this fund.

Seattle City Light (41000)

	2016	2017	2017	2018	2019	2020	2021
	Actuals	Adopted	Revised	Proposed	Projected	Projected	Projected
Beginning Cash Balance	417,618	386,559	294,854	375,830	387,874	380,765	433,070
Revised Beginning Cash Balance	417,618	386,559	294,854	375,830	387,874	380,765	433,070
Revenues	1,121,588	1,278,564	1,405,388	1,421,555	1,280,928	1,354,454	1,464,615
Retail Power Sales	779,454	851,666	848,696	882,786	946,545	991,871	1,018,499
Revenue from RSA Surcharge	4,901	0	10,198	0	0	0	0
Wholesale Power, Net	53,218	60,000	68,921	60,000	55,000	50,000	50,000
Power Contracts	13,564	13,204	13,256	12,998	11,572	7,282	7,254
Power Marketing, Net	10,480	7,445	10,271	7,774	5,282	4,787	4,611
Other Outside Sources	27,142	27,948	49,268	29,352	29,709	30,538	30,921
Interest on Cash Accounts	7,342	7,986	7,594	8,425	8,278	8,797	9,301
Cash from (to) Rate Stabilization Account	(142)	0	(18,664)	0	0	0	0
Cash from Contributions	45,686	42,740	52,472	36,993	31,040	31,060	34,340
Cash from Bond Proceeds	179,943	267,575	363,375	383,228	193,502	230,119	309,688
Expenditures	(1,244,352)	(1,299,999)	(1,324,412)	(1,409,511)	(1,288,037)	(1,302,149)	(1,443,205)
Power Contracts	(272,822)	(283,582)	(280,045)	(278,690)	(286,073)	(292,629)	(287,192)
Production	(43,944)	(49,465)	(47,327)	(55,575)	(60,628)	(62,497)	(64,667)
Transmission	(10,444)	(12,028)	(12,414)	(14,303)	(11,237)	(11,486)	(9,539)
Distribution	(63,522)	(66,513)	(67,047)	(74,482)	(72,287)	(75,123)	(80,297)
Conservation	(7,875)	(8,908)	(8,519)	(9,975)	(5,893)	(6,152)	(6,423)
Customer Accounting	(35,686)	(35,607)	(36,089)	(39,873)	(44,338)	(46,302)	(48,339)
Administration	(82,802)	(92,238)	(100,050)	(96,571)	(107,829)	(112,844)	(112,200)
Uncollectable Accounts	(6,950)	(6,417)	(10,210)	(6,650)	(7,129)	(7,472)	(7,672)
Taxes and Franchise Payments	(85,202)	(94,821)	(95,758)	(96,661)	(102,770)	(107,484)	(114,768)
Debt Service	(196,575)	(206,227)	(204,147)	(219,444)	(230,940)	(239,689)	(250,768)
Capital Expenditures	(420,370)	(441,260)	(450,190)	(408,578)	(353,414)	(340,616)	(467,574)
Technical and Accounting Adjustments	(18,161)	(2,933)	(12,617)	(108,707)	(5,501)	145	6,233
Ending Cash Balance	294,854	365,124	375,830	387,874	380,765	433,070	454,479
<i>Revenues minus expenditures</i>	<i>(122,764)</i>	<i>(21,435)</i>	<i>80,976</i>	<i>12,044</i>	<i>(7,109)</i>	<i>52,304</i>	<i>21,410</i>
Reserves	(221,987)	(320,044)	(312,341)	(348,041)	(309,846)	(354,465)	(382,184)
Construction Account	(28,373)	(99,093)	(85,122)	(102,096)	(33,538)	(53,911)	(65,443)
Other Restricted Accounts	(102,479)	(127,187)	(128,421)	(150,764)	(170,528)	(193,187)	(207,764)
Rate Stabilization Account	(91,135)	(93,764)	(98,798)	(95,181)	(105,780)	(107,367)	(108,977)
Unreserved Ending Cash Balance	72,868	45,080	63,489	39,833	70,920	78,605	72,295

Notes: The amounts in this Financial Plan represent 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. They differ from the revenue and expenses shown in the Budget in several ways, including:

- 1) 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.
- 2) 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.
- 3) 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.
- 4) Actual 2016 Net Wholesale Revenue was lower than the baseline. This caused the RSA to drop below \$90 million during the second quarter of that year, triggering a surcharge effective August 1, 2016. This surcharge will remain in effect until the second month of the quarter following the quarter when the RSA balance has been restored to \$100 million.
- 5) The Adopted 2017 Financial Plan projected net wholesale revenue to be \$60.0 million, the RSA Baseline amount used in the 2017 Adopted Budget, therefore the Adopted 2017 Financial Plan assumed that there would be no RSA surcharges or transfers from/to the RSA in 2017.

Seattle City Light (41000) (con't)

Notes: 6) Revised 2017 net wholesale revenue is the currently forecast amount, which is greater than the RSA Baseline. Because of this and also because the RSA surcharge that began on August 1, 2016 remains effect this year, the Revised 2017 Financial Plan assumes that there will be RSA surcharges and a transfer from Operating Cash to the RSA in 2017.

7) Proposed 2018 and Projected 2019-2021 net wholesale revenues are the RSA Baseline amounts. Therefore, this Financial Plan assumes that there will be no RSA surcharges or transfers from/to the RSA in these years.

8) The growth in the balance of the RSA in 2018-2021 reflects interest earned on the balance, based on a projected annual interest rate of 1.5%.

9) 2018 Proposed total expenditures were set equal to the Grand Total in the budget. This was accomplished by manually increasing 2018 Cash From Bond Proceeds in the revenue side of the Financial Plan, which caused the Technical and Accounting Adjustments line in the expenditure side of the Financial Plan to automatically increase as well.

Financial Performance	2016	2017	2017	2018	2019	2020	2021
	Actuals	Adopted	Revised	Proposed	Projected	Projected	Projected
Average System Rate (\$/MWh)	\$84.23	\$90.71	\$91.58	\$94.94	\$101.36	\$105.47	\$108.26
Rate Change from Prior Year (Systemwide)	6.8%	7.7%	8.7%	3.7%	6.8%	4.1%	2.6%
Retail Market Information							
Average Residential Monthly Bill	\$65.05	\$71.02	\$72.68	\$74.08	\$79.09	\$82.30	\$84.47
Percentage Change	5.0%	9.2%	11.7%	1.9%	6.8%	4.1%	2.6%
Cash Financing of CIP							
In-Year Percentage	24%	31%	34%	31%	39%	42%	37%
2017-2022 Average Percentage	n/a	38%	37%	37%	37%	37%	37%
Debt Service Coverage	1.69	1.80	1.79	1.74	1.80	1.80	1.80

Notes: 1) The data source for 2016 Actuals, 2017 Revised, 2018 Proposed and 2019-2021 Projected for all Financial Performance indicators is the Revised version of the financial forecast, forecast version Final_2017_05_12

2) The Average Residential Monthly bill is calculated in the same manner as that used in the Rate Design Study for the 2017-2018 rate proposal, which uses the standard residential rate for customers within the Seattle city limits and assumes that average residential consumption is 700 kWh/month.

3) RSA Surcharge revenue has been excluded from the revenue used as the base for calculating the Average System Rate and Average Residential Monthly Bill in 2016 and 2017.

Water Fund (43000)

Amounts in \$1,000s	2016	2017	2017	2018	2019	2020	2021
	Actuals	Adopted	Revised	Proposed	Projected	Projected	Projected
OPERATING CASH							
Beginning Operating Cash Balance	39,106	27,000	39,106	38,000	31,000	32,000	33,000
Sources							
<u>Income Statement Items (in order of IS)</u>							
Rate Revenue							
Retail Water Sales	180,372	186,256	188,544	197,274	204,319	214,300	225,037
Water Service for Fire Protection	7,999	9,338	8,874	121	182	589	747
GF - Public Fire Hydrant Reimb	8,232	8,512	8,512	9,540	9,826	9,900	10,268
Wholesale Water Sales	52,081	48,429	53,595	62,639	52,117	53,281	56,127
Facilities Charges	979	911	911	450	450	450	450
Fees							
Tap Fees	7,837	6,664	6,664	6,747	6,831	6,917	7,003
Other Revenues							
Other Non-Operating Revenue	412	1,776	443	448	454	460	465
Operating Grants	265	0	0	0	0	0	0
Build America Bond Interest Income	2,014	1,984	1,988	1,984	2,080	2,024	2,080
Rentals--Non-City	595	601	601	616	631	647	663
Other Operating Revenues	8,702	2,497	2,386	2,445	2,506	2,569	2,633
Capital Grants and Contributions	18,393	4,840	12,651	12,908	13,236	13,426	13,426
Public Works Loan Proceeds	3,562	3,000	7,200	0	0	0	0
Transfers from Construction Fund	29,040	70,595	39,102	65,298	87,663	70,516	46,953
Op Transfer In - Rev Stab Subfund	(5,266)	5,800	8,300	3,000	14,000	2,000	0
Op Transfer In - Rev Stab Subfund - BPA Acct	0	200	200	200	0	0	0
Reimbursements							
Reimbursement for NS activities	462	68	11	70	70	72	74
Inventory Purchased by SDOT	0	0	0	0	0	0	0
Call Center Reimbursement from SCL	2,105	1,694	1,754	1,754	1,754	1,807	1,861
Total Sources	317,784	353,164	341,735	365,495	396,120	378,957	367,789
Uses							
<u>CIP</u>							
Distribution	(24,946)	(28,295)	(28,295)	(34,687)	(29,546)	(30,086)	(26,093)
Transmission	(2,639)	(5,529)	(5,529)	(9,662)	(11,325)	(8,029)	(12,585)
Watershed Stewardship	(245)	(66)	(303)	(977)	(84)	(165)	(105)
Water Quality & Treatment	(1,382)	(8,694)	(8,688)	(2,363)	(6,117)	(20,491)	(1,989)
Water Resources	(17,925)	(8,266)	(7,744)	(8,553)	(16,039)	(3,614)	(3,756)
Habitat Conservation Program	(2,041)	(2,106)	(2,995)	(1,959)	(1,847)	(1,447)	(1,504)
Shared Cost Projects	(18,782)	(35,634)	(39,914)	(51,027)	(41,889)	(37,979)	(28,212)
Technology	(9,234)	(11,734)	(20,645)	(7,031)	(5,485)	(4,207)	(4,241)
CIP Subtotal	(77,194)	(100,325)	(114,114)	(116,259)	(112,331)	(106,018)	(78,486)
Accomplishment Rate Adjustment							
<u>O&M</u>							
General Expense	(150,398)	(159,441)	(161,865)	(164,049)	(174,514)	(184,535)	(192,430)
Administration	(8,104)	(7,604)	(6,472)	(9,532)	(9,782)	(11,463)	(12,987)
Customer Service	(10,133)	(12,343)	(12,172)	(12,658)	(13,009)	(13,352)	(13,705)
Other Operating	(57,922)	(61,663)	(59,710)	(62,571)	(64,027)	(65,882)	(67,646)
O&M subtotal	(226,557)	(241,051)	(240,219)	(248,810)	(261,331)	(275,232)	(286,767)
Total Uses	(303,750)	(341,376)	(354,334)	(365,069)	(373,662)	(381,250)	(365,253)
Adjustments	(14,034)	(11,788)	11,493	(7,426)	(21,458)	3,293	(1,535)
Ending Operating Cash Balance	39,106	27,000	38,000	31,000	32,000	33,000	34,000

Water Fund (43000) (cont'd.)

Amounts in \$1,000s	2016	2017	2017	2018	2019	2020	2021
	Actuals	Adopted	Revised	Proposed	Projected	Projected	Projected
CONSTRUCTION FUND							
Beginning Construction Fund Balance	39,608	40,967	10,968	77,218	12,404	12,428	10,152
Bond Proceeds	0	118,099	108,567	0	91,993	72,629	64,754
Transfer to Bond Reserve Account	0	(4,212)	(4,200)	0	(4,680)	(4,680)	(4,680)
Transfers to Operating Fund	(29,040)	(70,595)	(39,102)	(65,298)	(87,663)	(70,516)	(46,953)
Interest	400	716	986	484	374	291	303
Ending Construction Fund Balance	10,968	84,975	77,218	12,404	12,428	10,152	23,576
RESERVES							
Bond Reserve Account	(16,696)	(21,242)	(16,863)	(21,242)	(25,454)	(29,666)	(33,878)
Revenue Stabilization Fund	(40,672)	(27,548)	(33,059)	(30,389)	(16,693)	(14,860)	(15,009)
BPA Account	(458)	(50)	(258)	(58)	(58)	(58)	(58)
Vendor Deposit	0	0	0	0	0	0	0
Planning Reserve							
Total Reserves	(57,827)	(48,840)	(50,180)	(51,689)	(42,205)	(44,584)	(48,945)
FINANCIAL PERFORMANCE THROUGH END OF RATE PERIOD							
Percent Increase (SYSTEM)							
Wholesale	0.0%	0.0%	0.0%	2.6%	6.1%	6.1%	
Retail	1.7%	0.027	2.7%	3.5%	4.1%	5.2%	
Typical Retail Single Family Residential							
Average Monthly Bill (5 ccf / mo) *	\$39.68	41.13	\$41.13				
Percent Increase	1.9%	0.037	3.7%				
	<u>Target</u>						
Net Income	Generally positive	\$43,327	\$23,037	\$39,984	\$46,695	\$44,250	\$32,872
Year End Cash Balance	1/12 Oper Exp	\$42,349	\$27,000	\$38,000	\$31,000	\$32,000	\$33,000
	Target	\$8,608	\$9,707	\$9,532	\$10,214	\$10,609	\$11,145
Cash Financing of CIP							
-Single Year	Min 15%	57.8%	28.6%	46.4%	43.7%	30.2%	25.1%
-Avg of Rate Period	Min 20%	45.7%	45.7%	55.3%	33.4%	33.4%	33.4%
Debt Service Coverage	1.70	1.87	1.7	1.94	1.94	1.89	1.7

* The typical customer's water use as measured per 100 cubic feet (ccf) has fallen due to conservation from 5.5 ccf in the 2009-2011 rate proposal to 5.0 ccf in the 2012-2014 rate proposal. The typical bills displayed above have been calculated using the 5.0 ccf figure.

Drainage and Wastewater Fund (44010)

Amounts in \$1,000s	2016	2017	2017	2018	2019	2020	2021
	Actuals	Adopted	Revised	Proposed	Projected	Projected	Projected
OPERATING CASH							
Beginning Operating Cash Balance	101,299	82,658	121,769	134,145	121,145	82,776	80,776
Sources							
Rate Revenue							
Wastewater Utility Services	258,442	271,128	270,534	273,070	307,509	347,693	347,693
Drainage Utility Services	107,827	118,197	118,317	126,968	145,187	168,217	178,524
Fees							
Side Sewer Permit Fees	1,616	1,704	1,704	1,704	1,704	1,704	1,704
Drainage Permit Fees	520	286	286	286	286	286	286
Other Revenues							
Other Operating Revenues	346	422	418	427	427	431	436
Build America Bond Interest Income	1,757	1,748	1,748	1,748	1,748	1,748	1,748
Capital Grants and Contributions (excluding donated assets)	1,427	1,815	2,485	1,932	2,108	1,883	1,381
Operating Grants	1,054	500	1,042	500	1,227	1,452	1,953
Transfer from Construction Fund	84,606	98,868	91,761	131,432	141,372	154,546	153,046
Reimbursements							
Call Center Reimbursement from SCL	2,043	1,644	1,897	1,702	2,157	2,243	2,333
CGDB Reimbursements (N2418)	1,574	0	1,599	2,160	0	0	0
GIS (N2419)	561	0	423	0	0	0	0
Parks & Other City Depts. (N4405)	88	71	71	74	38	39	40
SCL Fund (N4403)	199	796	796	821	821	821	821
SDOT Fund (N4404)	2,063	2,471	2,471	2,556	2,556	2,556	2,556
ReLeaf reimbursement - SCL	86	90	96	100	102	105	107
ReLeaf reimbursement - GF	1,532	968	1,063	1,121	1,155	1,189	1,225
Total Sources	465,740	500,710	496,712	546,601	608,396	684,913	693,853
Uses							
CIP							
Protection of Beneficial Uses	(3,421)	(9,897)	(9,887)	(11,731)	(18,916)	(20,766)	(13,541)
Sediments	(3,732)	(6,855)	(6,855)	(6,489)	(7,343)	(8,753)	(6,178)
Combined Sewer Overflows	(48,857)	(37,291)	(37,205)	(33,137)	(41,534)	(102,042)	(149,011)
Rehabilitation	(18,841)	(29,775)	(31,275)	(39,089)	(40,078)	(31,361)	(32,214)
Flooding, Sewer Backup & Lndsl	(10,911)	(18,646)	(19,046)	(16,566)	(31,218)	(36,636)	(26,071)
Shared Cost Projects	(24,706)	(23,446)	(24,296)	(55,632)	(74,266)	(46,921)	(28,879)
Technology	(8,607)	(11,185)	(18,954)	(6,135)	(4,677)	(3,951)	(4,298)
CIP Subtotal	(119,076)	(137,095)	(147,519)	(168,778)	(218,032)	(250,429)	(260,191)
Accomplishment Rate Adjustment							
O&M							
General Expense	(273,824)	(314,342)	(304,598)	(328,121)	(356,883)	(387,009)	(407,766)
Administration	(1,624)	(1,322)	1,473	(3,189)	(3,971)	(3,231)	(4,544)
Customer Service	(8,521)	(10,499)	(10,379)	(10,886)	(11,057)	(11,352)	(11,655)
Other Operating	(59,688)	(66,729)	(66,501)	(70,086)	(73,686)	(76,791)	(79,327)
O&M Subtotal	(343,657)	(392,892)	(380,005)	(412,281)	(445,597)	(478,383)	(503,292)
Total Uses	(462,734)	(529,987)	(527,524)	(581,059)	(663,629)	(728,812)	(763,483)
Adjustments	17,463	14,828	43,187	21,458	16,865	43,900	72,595
Ending Operating Cash Balance	121,769	68,209	134,145	121,145	82,776	80,776	83,741

Drainage and Wastewater Fund (44010) (cont'd.)

Amounts in \$1,000s	2016 Actuals	2017 Adopted	2017 Revised	2018 Proposed	2019 Projected	2020 Projected	2021 Projected
CONSTRUCTION FUND							
Beginning Construction Fund Balance	6,580	131,198	30,318	125,397	(1,458)	57,569	134,498
Bond Proceeds	107,816	166,066	186,000	0	201,376	234,556	192,389
Transfers to Operating Fund	(84,326)	(98,868)	(91,760)	(127,534)	(143,674)	(158,823)	(153,046)
Interest	248	100	840	679	1,325	1,196	777
Ending Construction Fund Balance	30,318	198,496	125,398	(1,458)	57,569	134,498	174,617
RESERVES							
Bond Reserve Account	(21,225)	(23,553)	(30,872)	(30,872)	(40,941)	(52,669)	(62,288)
Total Reserves	(21,225)	(23,553)	(30,872)	(30,872)	(40,941)	(52,669)	(62,288)

FINANCIAL PERFORMANCE THROUGH END OF RATE PERIOD

Percent Increase								
Wastewater		0.8%	3.6%	5.4%	1.2%	12.2%	12.6%	3.2%
Drainage		9.9%	9.9%	9.5%	7.5%	14.2%	15.9%	6.1%
Typical Retail Single Family Residential								
Wastewater								
Average Monthly Bill (4.3 ccf) ¹		\$50.91	\$52.76	\$53.66	\$54.30	\$60.93	\$68.61	\$70.80
Percent Increase		0.8%	3.6%	5.4%	1.2%	12.2%	12.6%	3.2%
Drainage								
Average Monthly Bill		\$29.20	\$32.50	\$31.98	\$34.36	\$39.24	\$45.47	\$48.25
Percent Increase		9.9%	11.3%	9.5%	7.5%	14.2%	15.9%	6.1%
<u>Target</u>								
Net Income	Generally positive	\$52,090	\$16,476	\$24,715	\$14,390	\$28,971	\$66,366	\$62,496
Year End Cash Balance	1/12 Treatment Cost	\$121,769	\$68,209	\$134,145	\$121,145	\$82,776	\$82,776	\$83,741
	Target	\$12,423	\$12,688	\$13,474	\$13,630	\$14,690	\$14,881	\$15,547
Cash Financing of CIP	25% (4 year rolling avg)	31%	33%	27%	25%	25%	24%	25%
Debt Service Coverage	1.80	2.83	2.31	2.35	1.85	2.20	2.42	2.26
Debt to Asset Ratio	Less than 70%	61%	60%	67%	65%	68%	69%	70%

NOTES:

1. The typical customer's sewer usage as measured per 100 cubic feet (ccf) has fallen commensurate with reductions in water usage, and has been adjusted downward in this presentation from 5.2 ccf to 4.3 ccf. The typical bills displayed above have been calculated using the 4.3 ccf figure.

Solid Waste Fund (45010)

Amounts in \$1,000s	2016	2017	2017	2018	2019	2020	2021
	Actuals	Adopted	Revised	Proposed	Projected	Projected	Projected
OPERATING CASH							
Beginning Operating Cash Balance	30,518	34,371	36,174	39,160	26,117	23,541	24,392
Sources							
Rate Revenue							
Recycling Processing Revenues	5,796	7,062	7,545	7,155	7,744	7,843	7,943
Commercial Services	56,181	58,559	59,011	60,168	62,571	65,088	66,806
Residential Services	117,410	125,649	121,461	129,879	130,289	136,148	140,522
Recycling and Disposal Station Charges	8,094	10,008	9,472	10,225	9,983	10,115	10,113
Comm'l Disposal (Longhaul) Charges	1,124	709	819	780	966	990	957
Fees							
Tonnage Tax Transfer Fee - In City	0	0	0	0	0	0	0
Tonnage Tax Transfer Fee - Out City	0	0	0	0	0	0	0
Other Revenues							
Other Nonoperating Revenue	41	3	(1)	25	45	38	31
Operating Fees, Contributions and grants	604	750	750	750	750	750	750
Other Operating Revenue	18	46	813	27	800	810	835
Transfers from Construction Fund	14,788	9,567	9,894	0	13,696	0	0
Op Transfer In - Rev Stab Subfund	(6,600)	0	1,846	0	1,187	17,297	330
Reimbursements							
GF - Various Clean City Prgms	6,600	8,466	8,382	7,422	7,645	7,875	8,110
Call Center Reimbursement from SCL	2,043	1,644	1,897	1,702	1,978	2,028	2,079
KC Reimb for Local Hzrd Waste Mgt Prgm	3,596	2,834	3,525	2,837	2,983	3,065	3,149
Total Sources	209,696	225,297	225,413	220,970	240,637	252,047	241,624
Uses							
CIP							
New Facilities	(16,987)	(7,824)	(12,337)	(3,623)	(17,934)	(19,797)	(3,661)
Rehabilitation and Heavy Equipment	(38)	(400)	(793)	(270)	(225)	(140)	(85)
Shared Cost Projects	(1,796)	(2,922)	(3,621)	(1,894)	(1,755)	(3,978)	(2,285)
Technology	(6,816)	(5,864)	(11,442)	(3,244)	(1,438)	(1,093)	(1,511)
CIP Subtotal	(25,637)	(17,010)	(28,193)	(9,031)	(21,352)	(25,007)	(7,542)
Accomplishment Adjustment							
O&M							
General Expense	(153,556)	(165,683)	(164,871)	(170,430)	(176,117)	(181,741)	(186,861)
Administration	(3,595)	(4,492)	(3,810)	(4,548)	(5,212)	(5,508)	(5,976)
Customer Service	(10,224)	(11,879)	(11,436)	(11,360)	(11,726)	(12,046)	(12,376)
Other Operating	(20,183)	(23,731)	(24,146)	(25,924)	(26,559)	(27,227)	(27,977)
O&M Subtotal	(187,557)	(205,786)	(204,263)	(212,260)	(219,614)	(226,522)	(233,190)
Total Uses	(213,194)	(222,796)	(232,456)	(221,291)	(240,966)	(251,529)	(240,732)
Adjustments	9,155	6,625	10,029	(12,722)	(2,247)	333	(163)
Ending Operating Cash Balance	36,174	43,498	39,160	26,117	23,541	24,392	25,121

Solid Waste Fund (Fund 45010) (cont'd.)

Amounts in \$1,000s	2016 Actuals	2017 Adopted	2017 Revised	2018 Proposed	2019 Projected	2020 Projected	2021 Projected
CONSTRUCTION FUND							
Beginning Construction Fund Balance	15,501	9,696	20,167	10,273	13,517	(179)	(179)
Bond Proceeds	19,233	0	0	13,849	0	0	0
Transfers to Operating Fund	(14,788)	(9,567)	(9,894)	(10,605)	(13,696)	0	0
Interest	221	0	0	0	0	0	0
Ending Construction Fund Balance	20,167	128	10,273	13,517	(179)	(179)	(179)

RESERVES

Bond Reserve Account	(9,179)	(6,774)	(9,942)	(9,942)	(9,942)	(9,942)	(9,942)
Revenue Stabilization Fund	(18,446)	(10,291)	(19,346)	(19,346)	(19,346)	(14,846)	(14,846)
Total Reserves	(27,626)	(17,065)	(29,289)	(29,289)	(29,289)	(24,789)	(24,789)

FINANCIAL PERFORMANCE THROUGH END OF RATE PERIOD

Percent Increase (SYSTEM)		3.4%	7.2%	7.2%	1.9%	4.0%
Typical Retail Single Family Residential						
Average Monthly Bill (Apr 1)		\$44.45	\$47.65	\$47.65	\$48.56	\$50.50
Percent Increase		3.4%	7.2%	7.2%	1.9%	4.0%
	Target					
Net Income	Generally positive	\$9,656	\$9,672	\$9,672	\$7,518	\$7,194
Year End Cash Balance	20 days contract costs	\$36,174	\$39,159	\$39,159	\$26,117	\$23,541
	Target	\$5,482	\$5,368	\$5,799		
Cash Financing of CIP	\$2.5M (in 2003 \$) or 10%	\$11,029	\$4,946	\$4,946	\$3,396	\$11,481
	Target	\$3,337	\$3,314	\$3,314	\$3,396	\$3,481
Debt Service Coverage	1.70	2.92	2.95	2.95	3.05	3.23

Fiber Leasing Fund (47010)

Amounts in \$1,000s	2016	2017	2017	2018	2019	2020	2021
	Actuals	Adopted	Revised	Proposed	Projected	Projected	Projected
Beginning Fund Balance ¹	(11)	12	(11)	(8)	(5)	(2)	1
Accounting Adjustments	0	0	0	0	0	0	0
Beginning Unreserved Fund Balance	(11)	12	(11)	(8)	(5)	(2)	1
Revenues							
Lease Revenues	0	7	7	7	7	7	7
Management Fees	1	1	1	1	1	1	1
Project Revenues	0	150	150	150	150	150	150
Miscellaneous Revenues	0	0	0	0	0	0	0
Total Revenues	1	158	158	158	158	158	158
Expenditures							
Lease Expenditures	0	(7)	(7)	(7)	(7)	(7)	(7)
Project Expenditures	0	(142)	(142)	(142)	(142)	(142)	(142)
Debt Service ²	(1)	(6)	(6)	(6)	(6)	(6)	(6)
Total Expenditures	(1)	(155)	(155)	(155)	(155)	(155)	(155)
Ending Fund Balance	(11)	15	(8)	(5)	(2)	1	4
Reserves							
Total Reserves	0	0	0	0	0	0	0
Ending Unreserved Fund Balance	(11)	15	(8)	(5)	(2)	1	4

Notes

¹ Initial seed loan from SEAIT's operating fund (50410) authorized in 2012 by Ordinance 123931.

² Seattle IT needed to write-off uncollectable debt resulting in a negative fund balance of less than \$5,000 in the Fiber Leasing Fund in 2018. Seattle IT will undertake an assessment of the long term viability and need for this fund during 2018 and make recommendations for its future.

Finance and Administrative Services Fund (Fund 50300*)

Amounts in \$1,000s	2016	2017	2017	2018	2019	2020	2021
	Actuals	Adopted	Revised	Proposed	Projected	Projected	Projected
Beginning Fund Balance	39,108	28,533	31,073	19,463	20,869	26,408	26,377
Accounting Adjustments in 2016 and excess appropriation and underspend 2017-2021	0	7,003	8,941	8,985	8,985	8,985	8,985
2017 Rebate one time	0	0	(2,800)	0	0	0	0
Revised Beginning Fund Balance	39,108	35,536	37,214	28,448	29,854	35,393	35,362
Revenues							
General Fund Support	29,614	28,141	28,141	31,624	32,573	33,550	34,556
Revenues from Other City departments	138,891	142,654	142,654	146,507	146,404	146,300	146,195
External Revenues	13,563	12,427	12,157	12,479	12,666	12,856	13,049
Interfund - Capital Improvements (CIP subfund 50390)**	10,626	10,862	15,204	10,397	3,500	3,500	3,500
Quarterly Supplemental - CIP	0	0	3,375	0	0	0	0
Quarterly Supplemental - Operating	0	0	1,082	0	0	0	0
Total Revenues	192,695	194,084	202,613	201,006	195,143	196,206	197,300
Expenditures							
Budget and Central Services	(5,810)	(15,211)	(15,211)	(13,990)	(13,079)	(13,471)	(13,875)
Fleet Services	(26,500)	(33,386)	(33,386)	(33,922)	(34,896)	(35,943)	(37,021)
Fleet Services Capital	(26,445)	(21,830)	(20,415)	(21,830)	(18,169)	(19,493)	(13,828)
Facility Services	(71,700)	(79,016)	(79,137)	(73,577)	(75,938)	(78,217)	(80,563)
Capital Development and Construction Mgmt	(4,074)	(4,547)	(4,547)	(4,533)	(4,669)	(4,809)	(4,953)
Financial Services	(15,252)	(22,125)	(22,125)	(24,474)	(25,208)	(25,965)	(26,743)
Business Technology	(21,041)	0	0	0	0	0	0
Revenue and Consumer Protection	(5,191)	(7,062)	(7,062)	(8,902)	(6,066)	(6,248)	(6,436)
City Purchasing and Contracting Services	(6,274)	(7,071)	(7,071)	(7,355)	(7,576)	(7,803)	(8,037)
Seattle Animal Shelter	(3,933)	(4,411)	(4,411)	(4,531)	(4,667)	(4,807)	(4,951)
Office of Constituent Services	(3,883)	(4,633)	(4,633)	(5,075)	(4,821)	(4,966)	(5,115)
Capital Improvements**	(10,627)	(11,462)	(15,804)	(10,397)	(3,500)	(3,500)	(3,500)
Quarterly Supplementals CIP	0	0	(3,200)	0	0	0	0
Quarterly Supplementals Operating Q1 and Q2	0	0	(3,361)	0	0	0	0
Total Expenditures	(200,730)	(210,754)	(220,364)	(208,585)	(198,589)	(205,222)	(205,023)
Ending Fund Balance	31,073	18,866	19,463	20,869	26,408	26,377	27,639
Reserves							
Continuing Appropriations	5,899	0	0	0	0	0	0
Planning Reserve (for AWI)	7,378	9,920	9,920	12,920	15,758	17,057	22,923
Total Reserves	13,277	9,920	9,920	12,920	15,758	17,057	22,923
Ending Unreserved Fund Balance	17,796	8,946	9,543	7,949	10,650	9,320	4,716

Notes:

*Includes Subfunds 50310, 50320, 50321, 50330, 50345, 50355 and 50365.

**Budget authority is appropriated in the CIP (BCLs A1GM1, A1IT and A1MSY). 2018 Proposed expenditures include \$6.897 million for Summit Re-Implementation CIP project and \$3.5 million for Customer Requested Tenant Improvements (Subfund 50390).

Information Technology Fund (50410)

Amounts in \$1,000s	2016	2017	2017	2018	2019	2020	2021
	Actuals	Adopted	Revised	Proposed	Projected	Projected ¹	Projected ¹
Beginning Budgetary Fund Balance	30,407	14,334	32,931	13,448	10,276	14,765	17,278
Accounting Adjustments ²	13,308	0	0	0	0	0	0
Beginning Unreserved Fund Balance	43,715	14,334	32,931	13,448	10,276	14,765	17,278
Revenues¹							
Grant Revenues	0	0	25	0	0	0	0
Cable Fund Revenues	9,407	9,713	9,713	9,560	9,535	9,678	9,823
Non-City Agency Revenues	259	361	361	364	369	375	380
City Agency Revenues (non GF)	56,948	146,381	148,192	133,936	128,981	129,529	131,472
City Agency Revenues (GF)	51,161	70,363	75,146	72,114	63,141	64,088	65,050
Sources to be Specified/Projects/Rate Billings	0	9,803	11,903	20,199	20,080	18,858	19,141
Seattle IT Budget for IT Initiatives	0	0	0	0	0	0	0
Interest Earnings	308	0	382	279	393	542	618
Other	0	0	0	0	4,500	2,300	0
Anticipated Revenue ⁴	0	3,075	3,075	3,149	3,212	3,276	3,325
Bond Proceeds	0	8,413	7,319	7,170	14,368	36,029	16,170
Total Revenues	118,083	248,109	256,117	246,772	244,579	264,676	245,980
Expenditures¹							
Summit 8.8 BCLs							
Business Office BCL	(32,578)	(24,714)	(31,313)	0	0	0	0
Leadership, Planning, and Security BCL	(6,170)	(7,093)	(7,684)	0	0	0	0
Engineering and Operations BCL	(41,889)	(65,856)	(76,082)	0	0	0	0
Digital Engagement BCL	(8,124)	(9,823)	(10,321)	0	0	0	0
Security, Risk & Compliance BCL	0	(5,076)	(5,625)	0	0	0	0
Applications BCL	0	(36,336)	(36,336)	0	0	0	0
Citywide IT Initiatives BCL	(40,107)	(96,565)	(99,957)	0	0	0	0
Quarterly Supplementals	0	0	(8,281)	0	0	0	0
Summit 9.2 BSLs							
Leadership & Administration BSL	0	0	0	(20,262)	(18,941)	(19,225)	(19,514)
Engineering & Operations BSL	0	0	0	(63,015)	(63,961)	(64,920)	(65,894)
Digital Engagement BSL	0	0	0	(11,331)	(11,476)	(11,648)	(11,823)
Security, Risk & Compliance BSL	0	0	0	(4,080)	(4,141)	(4,203)	(4,266)
Applications Services BSL	0	0	0	(52,017)	(52,579)	(53,368)	(54,168)
Capital Improvement Projects BSL	0	0	0	(36,897)	(31,332)	(50,274)	(28,939)
Client Services Management BSL	0	0	0	(4,274)	(4,338)	(4,403)	(4,469)
IT Initiatives BSL	0	0	0	(58,068)	(53,322)	(54,122)	(54,933)
Total Expenditures	(128,867)	(245,463)	(275,599)	(249,945)	(240,090)	(262,163)	(244,007)
Ending Fund Balance	32,931	16,980	13,448	10,276	14,765	17,278	19,251

Information Technology Fund (50410) (Con't)

Amounts in \$1,000s	2016	2017	2017	2018	2019	2020	2021
	Actuals	Adopted	Revised	Proposed	Projected	Projected ¹	Projected ¹
Reserves							
Continuing Appropriation and Encumbrances	(18,496)	0	0	0	0	0	0
Radio and Video Reserves	(9,593)	(7,827)	(9,436)	(6,310)	(7,195)	(7,623)	(8,053)
Operating Expense Reserve ³	(2,161)	(2,841)	(2,309)	(1,985)	(2,015)	(2,045)	(2,076)
SDOT PACT Sinking Fund	0	(767)	(767)	(1,533)	(2,300)	(2,300)	(2,300)
Planning Reserve	(1,417)	(6,439)	(5,022)	(6,224)	(9,436)	(12,712)	(16,038)
Total Reserves	(31,668)	(17,874)	(17,534)	(16,053)	(20,946)	(24,681)	(28,467)
Ending Unreserved Fund Balance	1,263	(893)	(4,085)	(5,777)	(6,181)	(7,403)	(9,216)

Assumptions:

¹ 2019-2021 assumes 1.5% inflation and revenue growth adjusted for one-time items.

² The net 2016 adjustments include bond liabilities and intrafund revenues less capital assets, as well as miscellaneous other technical adjustments to align the beginning and ending fund balance.

³ Internal Seattle IT policy establishes a cash float of approximately 45 days (revised for this budget from 90 days) of reimbursable expenses.

⁴ Reserve for adjustments from the 2017 CBO wage study.

Fire Pension Fund (60200)

Amounts in \$1,000s	2016	2017	2017	2018	2019	2020	2021
	Actuals	Adopted	Revised	Proposed	Projected	Projected	Projected
Beginning Fund Balance	14,923	15,556	15,312	16,103	16,279	17,020	17,802
Accounting Adjustments							
Revised Beginning Fund Balance	14,742	15,605	15,312	16,103	16,279	17,020	17,802
Revenues							
General Subfund	17,164	18,787	18,787	18,840	20,475	21,468	22,541
Fire Insurance Premium Tax	1,005	950	975	982	989	996	1,003
Medicare Rx Subsidy Refund	471	350	425	425	425	425	425
Return on Actuarial Account Investments	73	641	641	676	741	782	825
Total Revenues	18,806	20,728	20,828	20,923	22,630	23,671	24,794
Expenditures							
Death Benefits	(15)	(17)	(17)	(17)	(19)	(19)	(19)
Medical Benefits Paid	(11,103)	(11,400)	(11,400)	(12,000)	(13,130)	(14,120)	(15,190)
Pension Benefits Paid	(7,664)	(8,000)	(8,000)	(8,100)	(8,100)	(8,100)	(8,100)
Administration	(611)	(670)	(620)	(630)	(640)	(650)	(660)
Total Expenditures	(19,394)	(20,087)	(20,037)	(20,747)	(21,889)	(22,889)	(23,969)
Ending Fund Balance	15,312	16,197	16,103	16,279	17,020	17,802	18,627
Reserves							
Contingency Reserve	(500)	(500)	(500)	(500)	(500)	(500)	(500)
Actuarial Account	(12,160)	(12,291)	(12,801)	(13,477)	(14,218)	(15,000)	(15,825)
Rate Stabilization Reserve	(2,652)	(3,406)	(2,802)	(2,302)	(2,302)	(2,302)	(2,302)
Total Reserves	(15,312)	(16,197)	(16,103)	(16,279)	(17,020)	(17,802)	(18,627)
Ending Unreserved Fund Balance	0	0	0	0	0	0	0

Police Pension Fund (60400)

Amounts in \$1,000s	2016	2017	2017	2018	2019	2020	2021
	Actuals	Adopted	Revised	Proposed	Projected	Projected	Projected
Beginning Fund Balance	4,672	5,172	6,020	5,777	5,520	5,520	5,520
Beginning Unreserved Fund Balance	4,672	5,172	6,020	5,777	5,520	5,520	5,520
Revenues							
General Subfund	21,331	21,313	21,313	21,771	22,151	23,605	25,308
Police Auction Proceeds	83	117	117	117	117	117	117
Miscellaneous	500	400	400	400	400	400	400
Total Revenues	21,914	21,830	21,830	22,288	22,668	24,122	25,825
Expenditures							
Death Benefits	(11)	(18)	(18)	(18)	(18)	(18)	(18)
Medical Benefits Paid	(13,503)	(14,820)	(14,820)	(15,380)	(15,590)	(17,130)	(18,820)
Pension Benefits Paid	(6,488)	(6,600)	(6,600)	(6,500)	(6,400)	(6,300)	(6,300)
Administration	(563)	(635)	(635)	(647)	(660)	(674)	(687)
Total Expenditures	(20,566)	(22,073)	(22,073)	(22,545)	(22,668)	(24,122)	(25,825)
Ending Fund Balance	6,020	4,929	5,777	5,520	5,520	5,520	5,520
Reserves							
Contingency Reserve	(500)	(500)	(500)	(500)	(500)	(500)	(500)
Rate Stabilization Reserve	(5,520)	(4,429)	(5,277)	(5,020)	(5,020)	(5,020)	(5,020)
Total Reserves	(6,020)	(4,929)	(5,777)	(5,520)	(5,520)	(5,520)	(5,520)
Ending Unreserved Fund Balance	0	0	0	0	0	0	0

Municipal Arts Fund (62600)

Amounts in \$1,000s	2016	2017	2017	2018	2019	2020	2021
	Actuals	Adopted	Revised	Proposed	Projected	Projected	Projected
Beginning Fund Balance	8,519	8,605	10,297	10,122	10,349	9,485	7,634
Accounting Adjustments	-	-	-	-	-	-	-
Revised Beginning Fund Balance	8,519	8,605	10,297	10,122	10,349	9,485	7,634
Revenues							
1% for Art Revenues	4,379	3,972	3,367	3,009	3,000	3,000	3,000
Interest Earnings	134	77	130	134	138	142	146
Interest Increase/Decrease	(50)	0	0	0	0	0	0
Miscellaneous Revenues	10	10	23	24	25	25	26
Miscellaneous Revenues (from CRS)	187	193	187	0	0	0	0
Miscellaneous Revenues (from Arts Account)				197	203	209	215
Public Art Collection Mgmt Fees	235	264	259	350	360	371	382
Total Revenues	4,894	4,516	3,966	3,714	3,726	3,747	3,770
Expenditures							
Public Art Program	(2,949)	(3,163)	(3,163)	(3,290)	(4,387)	(5,390)	(4,092)
Artwork Conservation	(167)	(193)	(193)	(197)	(203)	(209)	(215)
Carry Forwards (inc. Encumbrances)	0	0	(786)	0	0	0	0
Total Expenditures	(3,116)	(3,356)	(4,142)	(3,487)	(4,590)	(5,598)	(4,307)
Ending Fund Balance	10,297	9,765	10,122	10,349	9,485	7,634	7,097
Reserves							
<i>Committed Reserves</i>							
Interfund Loan to 2018 Bond Fund (Ordinance 125373)	0	0	(1,000)	(2,800)	0	0	0
Accounting Adjustments	0	0	(60)	(60)	(60)	(60)	(60)
<i>Assigned Reserves</i>							
2016 Encumbrances	(786)	0	0	0	0	0	0
Total Reserves	(786)	-	(1,060)	(2,860)	(60)	(60)	(60)
Ending Unreserved Fund Balance	9,512	9,765	9,062	7,489	9,425	7,574	7,037

FileLocal Agency Fund (67600)

Amounts in \$1,000s	2016	2017	2017	2018	2019	2020	2021
	Actuals	Adopted	Revised	Proposed	Projected	Projected	Projected
Beginning Fund Balance	0	24	22	34	46	58	70
Accounting Adjustments	282	0	0	0	0	0	0
Revised Beginning Fund Balance		24	22	34	46	58	70
Revenues							
Agency Revenue (Labor Reimbursement)	258	364	364	374	385	397	409
Agency Revenue (Capital Project Reimbursement)	24	12	12	12	12	12	12
Total Revenues	282	376	376	386	397	409	421
Expenditures							
Agency Expenditures	(260)	(364)	(364)	(374)	(385)	(397)	(409)
Total Expenditures	(260)	(364)	(364)	(374)	(385)	(397)	(409)
Ending Fund Balance	22	36	34	46	58	70	82
Reserves							
Total Reserves	0	0	0	0	0	0	0
Ending Unreserved Fund Balance	22	36	34	46	58	70	82

Cost Allocation Tables:

These tables provide information about how the City allocates internal service costs (i.e. overhead provided by City agencies to other City agencies) to customer agencies.

Cost Allocation

Central Service Departments and Commissions - Cost Allocation Factors

Central Service Department	Cost Allocation Factor
City Auditor	Audit hours attributed to departments
Civil Service Commission	Number of cases attributed to departments
City Budget Office	Staff time and assignments by departments
Office of Civil Rights	Cases filed by departments
Office of Intergovernmental Relations	Staff time and assignments by departments
Office of Sustainability and Environment	Work program and assignments attributed to departments
Department of Finance and Administrative Services	Various factors and allocations. See Appendix B(1) for details on services, rates, and methodologies.
Seattle Information Technology	Various factors and allocations. See Appendix B(2) for details on services, rates, and methodologies.
Law Department	Hours by department for Civil Division; Public and Community Safety Division is charged 100% to the General Fund. Administration BCL is split between Civil and Criminal and allocated accordingly.
Legislative Department	City Clerk's Office based on number of Legislative items; Central Staff and Legislative Assistants on assignments; City Council 100% General Fund or by MOA.*
Seattle Department of Human Resources	Various factors and allocations. See Appendix B(3) for details on services, factors, and methodologies.
State Examiner (State Auditor)	75% by Summit rows of data; 25% by authorized FTEs
Emergency Management	Actual expenditure dollar spread

*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
Fleet Management Division				
Vehicle Leasing	A2212	<ul style="list-style-type: none"> Vehicles owned by, and leased from, Fleet Services Vehicles owned directly by Utility Departments 	<ul style="list-style-type: none"> Calculated rate per month per vehicle based on three lease-rate components: 1) vehicle replacement; 2) routine maintenance; and 3) overhead. Charge for overhead only as outlined in MOUs with Utilities. 	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 usage, with a set minimum and maximum daily charge.	Direct bill.
Vehicle Maintenance	A2221	<ul style="list-style-type: none"> Vehicle Maintenance labor. Vehicle parts and supplies. 	<ul style="list-style-type: none"> Actual maintenance service hours, not included in the routine maintenance component of the Lease Rate (above). Billed at an hourly rate. Actual vehicle parts and supplies, used in vehicle maintenance services, and not included in the routine maintenance component of the Lease Rate (above). Billed at cost plus a percentage mark-up. 	Direct bill.
Vehicle Fuel	A2232	Vehicle fuel from City-operated fuel sites or private vendor sites through the Voyager Fuel Card program.	Actual gallons of fuel pumped, billed at cost plus per-gallon mark-up.	Direct bill.
Facility Services				
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"> Regular maintenance costs included in office space rent and provided as part of space rent. Non-routine services charged directly to service user(s) at an hourly rate. 	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

Cost Allocation

Service Provider	Org	Service Provided	Billing Methodology	Billing Method
Warehousing Services	A3342	<ul style="list-style-type: none"> Surplus service Records storage Material storage Paper procurement 	<ul style="list-style-type: none"> Commodity type, weighting by effort and time Cubic feet and retrieval requests Number of pallets used/stored Paper usage by weight 	Cost Allocation to all City Departments
Distribution Services	A3343	<ul style="list-style-type: none"> U.S. Mail delivery Interoffice mail, special deliveries 	<ul style="list-style-type: none"> Sampling of pieces of mail delivered to client. Volume, frequency, and distance of deliveries 	Cost Allocation to Departments and the General Fund
Technical Services				
Capital Development and Construction Management	A3311	<ul style="list-style-type: none"> Project management Space planning and design Move coordination 	<ul style="list-style-type: none"> Project management hours billed at actual Project Managers' hourly rates in CIP projects, Divisional indirect are billed based on actual labor dollars. 	Direct bill
Financial, Regulatory and Purchasing/Contracting Services				
Economics and Forecasting	A4501	City economic forecasting	Allocated to six funds based on overall City Finance Division work effort.	Interfund transfer
Fiscal and Policy Management	A4502	City financial policy and planning	Allocated to six funds based on overall City Finance Division work effort.	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"> Citywide accounting services. Citywide payroll 	<ul style="list-style-type: none"> Percent of staff time by department Percent of staff time per department, with Payroll and Pension time allocated to departments based on FTEs and retirement checks, respectively. 	Cost Allocation to Six Funds
Applications	A4522	Maintain and develop City business applications	Project and staff assignments (from Seattle IT).	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 (from Seattle IT).	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 (from Seattle IT).	Cost Allocation to Six Funds
Regulatory Compliance and Consumer Protection	A4531	<ul style="list-style-type: none"> Verify accuracy of commercial weighing and measuring devices Enforcement of taxicab, for-hire vehicle and limousine industries. 	External fee revenue; General Fund support	External fees.
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"> Provide contracting support and administration. Women and minority business development. Social equity monitoring and contract compliance. 	<ul style="list-style-type: none"> Percent share based on total number of awarded public works contracts Contract Awards (50%) and dollar amount of Contract Awards (50%). General Fund support. 	Cost Allocation to CIP Departments and General Fund
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

Cost Allocation

Service Provider	Org	Service Provided	Billing Methodology	Billing Method
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
Risk Management and Claims Processing	A4591 A4592	Claims processing; liability claims and property/casualty program management; loss prevention/ control and contract review	Percent share by department based on number of claims filed (50%) and amount of claims/settlements paid (50%) (five-year period).	Cost Allocation to Six Funds
Seattle Animal Shelter				
Seattle Animal Shelter	A5511 A5512	Animal care and animal control enforcement; spay and neuter services to the public.	External fee revenues; General Fund.	Interfund transfer; External revenues
Office of Constituent Services				
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.	Cost Allocation to General Fund, SCL, SPU

Cost Allocation

Seattle Information Technology (SeaIT) Cost Allocation Methodologies – B(2)

SERVICES	COST POOL NAME	RATE & ALLOCATION BASIS
SERVICES ALLOCATED TO DEPARTMENT BUDGETS		
Application Services	Accela Enterprise	Accela Chargeback of Previous Expenses
	Applications Support (FAS)	Allocations based on Staff Time
	NCIS Support	NCIS Chargeback
	SRI	Billed SRI
Central GIS Service	Central GIS Service – Allocated	Central GIS Allocated
City Department Specific Initiatives	ARTS IT Service	Allocated to Departments
	CEN IT Service	
	DON IT Service	
	SDCI Accela	
	SDCI IT Service	
	DPR IT Service	
	FAS IT Service	
	HSD IT Service	
	OCR IT Service	
	OH IT Service	
	SCL IT Service	
	SDOT IT Service	
	SFD E911	
	SFD IT Service	
	SPD IT Service	
	SPU IT Service	
DEEL IT Service		
OPCD IT Service		
Citywide IT Initiatives	Office 365	Number of Devices
Compliance Office	Compliance Services	Number of Transactions and Devices
Consolidated Telecommunication Charge (CTC)	Consolidated Telecommunications Charge	Number of Landline Extensions
Data Center Services	24x7 Batch Processing	Number of NSM Jobs
	Backup & Recovery	Number of Gigabytes
	CoS Data Center Network	Number of Ports
	Data Center Facilities Management	Number of RUs
	Database Support	Number of Databases
	NGDC Customer Specific Support	Cost of Support
	Physical Hosting & Support-AIX	vCPU Physical Hosting and Support
	Physical Hosting & Support-Win/Linux	Number of Physical Servers
	Print Services Tier 1 (Large Scale Printing)	Number of Printed Pages
	Release Management	Number of Web Application
	Storage-SAN	Number of Gigabytes
	Virtual Hosting & Support-AIX	vCPU Physical Hosting and Support
Virtual Hosting & Support-Win/Linux	vCPU Physical Hosting and Support	
Device Replacements	Device Replacements – Desktops and Laptops	Number of Desktops and Laptops
End User Support	End User Support Services	Number of Desktop & Printer Devices
Enterprise Software Licensing	Enterprise Software Licensing	Office 365 Licenses for City Staff
IVR & Call Center Elements	IVR & Call Center Elements	Percent of Usage

Cost Allocation

SERVICES	COST POOL NAME	RATE & ALLOCATION BASIS
Messaging Support & Identity Management	Messaging Support & Identity Management	Number of Email Accounts
Radio Network Services	Network Access & Infrastructure Reserves	Number of Radios
	Public Safety Radio Administration	Number of Public Safety Radios
	Public Safety Radio Reserves	
	Support Radio Leasing Program for SFD-SPD	2015 SFD-SPD Leasing Program Actuals
Seattle Channel	Seattle Channel - SPU/SCL	50% SPU and 50% SCL
Service Desk	Service Desk Support	Number of Email Accounts
	Technology Management Tools - HEAT	
UDS & WiFi	Uniform Data Service (UDS) & WiFi	Number of UDS-WiFi Ports
DIRECT BILLED SERVICES: ESTIMATED		
Circuits, Long Distance, MACs, Other Billed	Miscellaneous Use Charges-All but MACS	Direct Billed Pass Through Costs Based on Usage
	Miscellaneous Use Charges-MACS	
Communication Shop Services	Pager Leasing	Based on 2015 Pager Actuals
	Radio Program Installation and Maintenance	Based on 2015 Radio Program Install and Maintenance Actuals
GIS Services	Central GIS Service - Billed	Billed Central GIS
Major Projects	Project Billed Services	Project Billing
Mobile Device Management	Mobile Device Management	Number of Mobile Devices
Programmatic Initiatives	Programmatic Initiatives Billable	Project Billing
Project Resources	Project Billed Services	Project Billing
Supply Room	Supply Room Allocation to Seattle IT	Supply Room Allocations
	Supply Room Budgeted to Seattle IT	Supply Room Budgeted Billing
Wireless Modems, Blackberry and Cell Phones	Wireless	Based on 2015 Wireless Actuals
SERVICES ALLOCATED DIRECT TO FUNDS		
Alert Seattle	Seattle Alert	Six Fund based on % of 2015 Actuals
Application Services	Application Services-6-Fund	Six Fund based on % of 2015 Actuals
	Application Services-General Fund	Allocated 100% to the General Fund
	CRM	Six Fund modified based on % of 2015 Actuals
	HRIS	Six Fund modified based on the Number of Paycheck/Pension Checks
	Municipal Court Information System	Municipal Court Billed
	SharePoint Online	Six Fund based on % of 2015 Actuals
	SUMMIT	Six Fund modified based on the Number of the Number of LTD Rows
Backbone & Internet	Backbone	Six Fund based on % of 2015 Actuals
	Internet	Seven Fund based on % of 2015 Actuals
Cable Fund	Office of Cable Communications Services	Allocated 100% to the Cable Fund
	Community Technology Services	
	Seattle Channel Services	Allocated 96.56% to the Cable Fund
Citywide Web Team	Citywide Web Team Services	Six Fund modified based on % of 2015 Actuals
	MEAP	Cable Fund
Information Security Office	Security Services	Seven Fund based on % of 2015 Actuals
Open Data	Open Data Services	Six Fund modified based on % of 2015 Actuals
Privacy Office	Privacy Services	Six Fund modified based on % of 2015 Actuals
Programmatic Initiatives	CTO Initiatives	Six Fund based on % of 2015 Actuals
	Municipal Court Information System	Municipal Court
	Summit Re-implementation Project	Seven Fund based on % of 2015 actuals

Cost Allocation

SERVICES	COST POOL NAME	RATE & ALLOCATION BASIS
	Seattle IT Space Planning - 6 Fund	Six Fund based on % of 2015 Actuals
Rates True-up from 2016 Programmatic Initiatives		
Strategy and Planning Office	IT Governance Services	Seven Fund based on % of 2015 Actuals
	Citywide PMO Services	Six Fund based on % of 2015 Actuals
	Service management Office Services	
	Enterprise Architecture Services	

Cost Allocation

Seattle Department of Human Resources Cost Allocation Methodologies – B(3)

Service Provider	Org	Service Provided	Billing Methodology
Alternative Dispute Resolution	N1145	Mediation and facilitation Conflict resolution training	2015 Adopted Budget FTEs
Police and Fire Examinations	N1150	Administer Police and Fire entry and promotional exams	General Fund allocation
Training Development and Organizational Effectiveness	N1160	Administer Citywide employee training and development opportunities, Consulting and employee recognition programs	2015 Adopted Budget FTEs
Management and Leadership Development	N1160	Citywide management leadership development and City Leadership Academy	Number of Supervisors and Managers
Recruitment and Retention	N1190	Provide recruitment and staffing services, policy guidance on personnel issues, technical assistance and other hiring needs	2015 Adopted Budget FTEs
Recruitment and Retention	N1190	Talent Management System	Number of Users
Deferred Compensation	N1220	Administer deferred compensation (457 Retirement Plan) for City employees.	Service fee charged to Deferred Compensation program participants.
Commercial Driver's Licenses	N1230	CDL administration	Number of CDLs by Department
Benefit Administration	N1240	Administer Citywide health care benefits program	2015 Adopted Budget FTEs
Director's Office	N1315	Provide Citywide Human Resources organizational support and policy guidance	2015 Adopted Budget FTEs
Information Management	N1360	Maintain Citywide Human Resource information	2015 Adopted Budget FTEs
Financial Services	N1350	Provide finance, budget, and accounting and other internal services	2015 Adopted Budget FTEs
Classification and Compensation	N1430	Administer the City Classification and Compensation programs	Number of Job Classifications
Labor Relations	N1440	Negotiate collective bargaining agreements and administer the personnel system for represented and non-represented employees	Number of Represented Positions
Workers' Compensation, Safety, Finance	N1230, N1250, and N1350	Administer the City Workers Compensation 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.

	2016 Adopted	2017 Adopted	2018 Proposed
City Budget Office	1,909,083	1,861,968	1,909,380
Personnel	5,456,940	5,872,368	6,077,900
Miscellaneous	17,081,772	20,250,114	20,707,640
Total Interfund Transfers	24,447,795	27,984,450	28,694,920

Interfund Transfers to City Budget Office (CBO)

Seattle City Light	449,395	434,459	445,522
Seattle Public Utilities	449,395	434,459	445,522
Seattle Department of Transportation	621,719	682,722	700,106
Department of Planning Development	202,734	195,997	200,987
Retirement	185,840	114,331	117,243
Total Interfund Transfers to CBO	1,909,083	1,861,968	1,909,380

Interfund Transfers to Personnel

Seattle City Light	2,266,941	2,342,615	2,424,607
Seattle Public Utilities	1,791,839	1,930,363	1,997,925
Seattle Department of Transportation	977,635	1,081,330	1,119,177
Department of Planning Development	385,895	491,452	508,653
Retirement	34,630	26,607	27,539
Total Interfund Transfers to Personnel	5,456,940	5,872,368	6,077,900

Miscellaneous Interfund Transfers

Seattle City Light	4,426,578	5,183,754	5,296,092
Seattle Public Utilities	4,758,677	5,910,188	6,048,435
Seattle Department of Transportation	4,466,903	5,528,338	5,652,343
Department of Planning Development	3,252,356	3,369,960	3,447,457
Retirement	177,258	257,874	263,312
Total Miscellaneous Interfund Transfers	17,081,772	20,250,114	20,707,640

Glossary

Appropriation: A legal authorization granted by the City Council, the City's legislative authority, to make expenditures and incur obligations for specific purposes.

Biennial Budget: A budget covering a two-year period. Under state law, a biennium begins with an odd-numbered year.

Budget - Adopted and Proposed: The Mayor submits to the City Council a recommended expenditure and revenue level for all City operations for the coming fiscal year as the Proposed Budget. When the City Council agrees upon the revenue and expenditure levels, the Proposed Budget becomes the Adopted Budget, funds are appropriated, and legal expenditure limits are established.

Budget - Endorsed: The City of Seattle implements biennial budgeting through the sequential adoption of two one-year budgets. When adopting the budget for the first year of the biennium, the Council endorses a budget for the second year. The Endorsed Budget is the basis for a Proposed Budget for the second year of the biennium, and is reviewed and adopted in the fall of the first year of the biennium.

Budget Control Level: The level at which expenditures are controlled to meet State and City budget law provisions.

Capital Improvement Program (CIP): Annual appropriations from specific funding sources are shown in the City's budget for certain capital purposes such as street improvements, building construction, and some kinds of facility maintenance. These appropriations are supported by a six-year allocation plan detailing all projects, fund sources, and expenditure amounts, including many multi-year projects that require funding beyond the one-year period of the annual budget. The allocation plan covers a six-year period and is produced as a separate document from the budget document.

Chart of Accounts: A list of expenditure, revenue, and other accounts describing and categorizing financial transactions.

Community Development Block Grant (CDBG): A U.S. Department of Housing and Urban Development (HUD) annual grant to Seattle and other local governments to support economic development projects, human services, low-income housing, and services in low-income neighborhoods.

Comprehensive Annual Financial Report of the City (CAFR): The City's annual financial statement prepared by the Department of Finance & Administration.

Cost Allocation: Distribution of costs based on some proxy for costs incurred or benefits received.

Cumulative Reserve Subfund (CRS): A significant source of ongoing local funding to support capital projects in general government departments. The CRS consists of two accounts: the Capital Projects Account and the Revenue Stabilization Account. The Capital Projects Account has six subaccounts: REET I, REET II, Unrestricted, South Lake Union Property Proceeds, Asset Preservation Subaccount - Fleets and Facilities, and the Street Vacation Subaccount. The Real Estate Excise Tax (REET) is levied on all sales of real estate, with the first .25% of the locally imposed tax going to REET I and the second .25% to REET II. State law specifies how each REET can be spent.

Debt Service: Annual principal and interest payments the City owes on money it has borrowed.

Errata: Adjustments, corrections, and new information sent by departments through the City Budget Office to the City Council during the Council's budget review as an adjunct to the Mayor's Proposed Budget. The purpose is to adjust the Proposed Budget to reflect information not available upon submittal and to correct inadvertent errors.

Glossary

Full-Time Equivalent (FTE): A term expressing the amount of time for which a position has been budgeted in relation to the amount of time a regular, full-time employee normally works in a year. Most full-time employees (1.00 FTE) are paid for 2,088 hours in a year (or 2,096 in a leap year). A position budgeted to work half-time for a full year, or full-time for only six months, is 0.50 FTE.

Fund: An accounting entity with a set of self-balancing revenue and expenditure accounts used to record the financial affairs of a governmental organization.

Fund Balance: The difference between the assets and liabilities of a particular fund. This incorporates the accumulated difference between the revenues and expenditures each year.

General Fund: A central fund into which most of the City's general tax revenues and discretionary resources are pooled, and which is allocated to support many of the operations of City government. Beginning with the 1997 Adopted Budget, the General Fund was restructured to encompass a number of subfunds, including the General Fund Subfund (comparable to the "General Fund" in prior years) and other subfunds designated for a variety of specific purposes. These subfunds are listed and explained in more detail in department chapters, as well as in the Funds, Subfunds, and Other section of the budget document.

Grant-Funded Position: A position funded 50% or more by a categorical grant to carry out a specific project or goal. Seattle Municipal Code 4.04.030 specifies that "categorical grant" does not include Community Development Block Grant funds, nor any funds provided under a statutory entitlement or distribution on the basis of a fixed formula including, but not limited to, relative population.

Neighborhood Matching Subfund (NMF): A fund supporting partnerships between the City and neighborhood groups to produce neighborhood-initiated planning, organizing, and improvement projects. The City provides a cash match to the community's contribution of volunteer labor, materials, professional services, or cash. The NMF is administered by the Department of Neighborhoods.

Operating Budget: That portion of a budget dealing with recurring expenditures such as salaries, electric bills, postage, printing, paper supplies, and gasoline.

Position/Pocket Number: A term referring to the title and unique position identification number assigned to each position authorized by the City Council through the budget or other ordinances. Positions may have a common title name, but each position has its own unique identification number assigned by the Records Information Management Unit of the Seattle Department of Human Resources at the time position authority is approved by the City Council. Only one person at a time can fill a regularly budgeted position. An exception is in the case of job-sharing, where two people work part-time in one full-time position.

Program: A group of services within a department, aligned by common purpose.

Reclassification Request: A request to change the job title or classification for an existing position. Reclassifications are subject to review and approval by the Classification/Compensation Unit of the Seattle Department of Human Resources and are implemented upon the signature of the Director of Human Resources, as long as position authority has been established by ordinance.

Reorganization: Reorganization refers to changes in the budget and reporting structure within departments.

SUMMIT: The City's central accounting system managed by the Department of Finance & Administration.

Sunsetting Position: A position funded for only a specified length of time by the budget or enabling ordinance.

TES (Temporary Employment Service): A program managed by the Seattle Department of Human Resources. TES places temporary workers in departments for purposes of filling unanticipated, short-term staffing needs, such as vacation coverage, positions vacant until a regularly-appointed hire is made, and special projects.

Type of Position: There are two types of budgeted positions. They are identified by one of the following characters: **F** for **Full-Time** or **P** for **Part-Time**.

Glossary

- **Regular Full-Time** is defined as a position budgeted for 2,088 compensated hours per year, 40 hours per week, 80 hours per pay period, and is also known as one full-time equivalent (FTE).
- **Regular Part-Time** is defined as a position designated as part time, and requiring an average of 20 hours or more, but less than 40 hours of work per week during the year. This equates to an FTE value of at least 0.50 and no more than 0.99.

