

Seattle Public Utilities

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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 Environmental Protection Agency (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 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 quality of life, environmental stewardship, public health and safety. The City owns and operates two transfer stations, two household hazardous waste facilities, a fleet of trucks and heavy equipment and two closed landfills. The Solid Waste Capital Improvement Plan (CIP) supports the transfer stations, heavy equipment and post-closure projects on two landfills previously used by the City. In addition, SPU contracts with private companies who collect household refuse, compostable material, and recyclables and 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 1.3 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 the 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

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debt dedicated to the CIP; debt service coverage, which is the amount of cash available to pay annual debt service after day-to-day system expenses are paid; and, for the Drainage and Wastewater Fund, the debt to asset ratio. As a result of strong financial management and a commitment on the part of elected officials to establishing prudent rates, SPU has some of the strongest bond ratings of any utility in the country. SPU's Water and Drainage and Wastewater bonds are rated one notch below the highest rating by both S&P (AA+) and Moody's (Aa1), while Solid Waste bonds, which traditionally are viewed as more risky by ratings agencies, are just slightly lower and still categorized as High Grade High Quality bonds (AA and Aa3 from the two agencies, respectively). These high ratings help SPU sell revenue bonds to fund infrastructure investments at the lowest costs possible. These lowered costs benefit the utilities and the rate payers they serve.

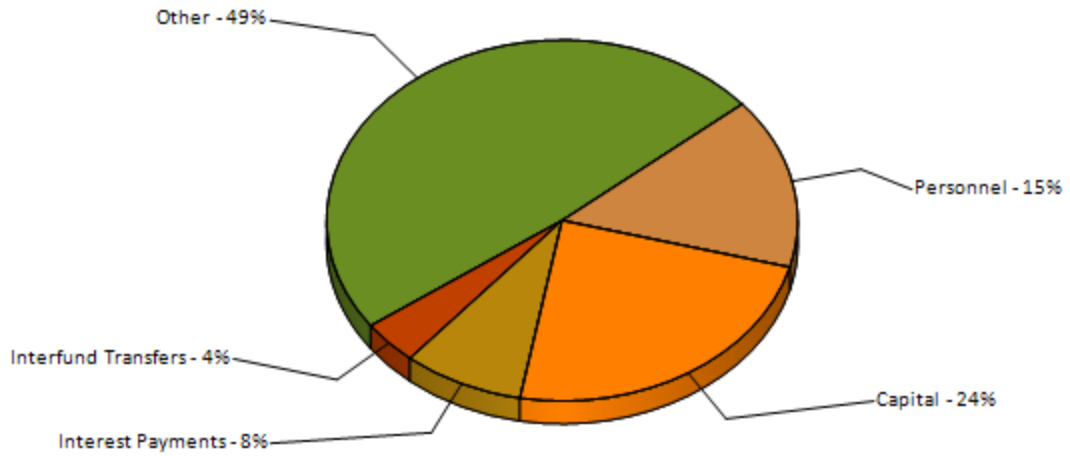
Budget Snapshot

Department Support	2014 Actuals	2015 Adopted	2016 Endorsed	2016 Proposed
General Fund Support	\$1,382,324	\$1,912,026	\$1,665,377	\$7,836,133
Other Funding - Operating	\$687,833,302	\$743,744,380	\$771,324,373	\$773,533,390
Total Operations	\$689,215,626	\$745,656,406	\$772,989,750	\$781,369,523
Other funding - Capital	\$177,045,193	\$270,867,879	\$238,079,327	\$242,167,797
Total Appropriations	\$866,260,820	\$1,016,524,285	\$1,011,069,077	\$1,023,537,320
Full-time Equivalent Total*	1,401.55	1,438.05	1,438.05	1,460.05

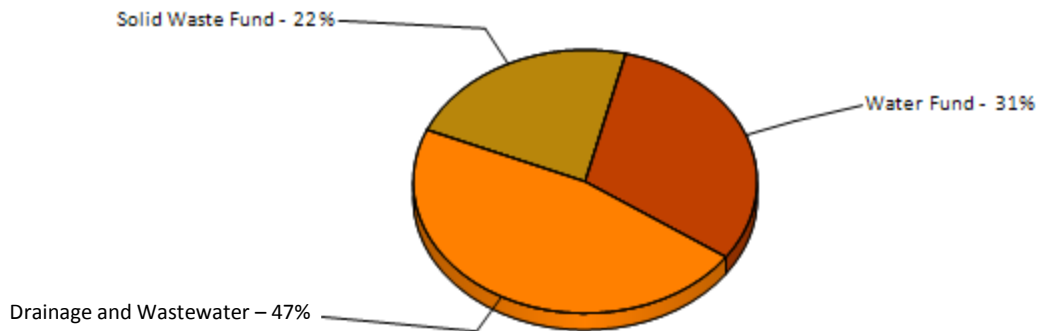
* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

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2016 Proposed Budget - Expenditure by Category



2016 Proposed Budget - Revenue by Category



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Budget Overview

The 2016 Proposed Seattle Public Utilities (SPU) Budget includes some modifications from the 2015 Adopted and 2016 Endorsed Budget that reflect ongoing efforts to implement the six-year Strategic Business Plan, adopted in August 2014.

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.

In 2016, SPU continues with programmatic reprioritization and efficiency cost savings outlined in the plan to streamline utility services for its customers through the following focus areas:

- Customer Experience
- Environmental and Public Health
- Operational Excellence
- Transforming the Workforce

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 owners 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. For the 2016-2018 period, drainage rates will grow by 9.9%, 10%, and 7.6%, respectively. Wastewater rates will grow 3.6%, 4.6%, and 2.0% over the same period. 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. Despite the increase in rates unanticipated by the original Strategic Business Plan rate path, SPU is managing other costs to ensure the overall growth in rates across all three utility lines of business will remain at 4.6% over the six year plan.

Environmental Compliance: Drainage and Wastewater will continue the efforts identified in the 2015 Adopted and 2016 Endorsed 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. Capital program increases in the 2016-2021 Proposed CIP reprioritize and add projects based on CSO and clean-up efforts, the largest of which is the new West 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.

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 continues to see only modest growth in projected revenues for 2015 and 2016,

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representing customer demand growing only slightly faster than the diversion of solid waste from the waste stream due to increases in recycling activities. Consistent with the Strategic Business Plan rate path, ongoing investments and meeting financial policies will require a potential rate increase of 3.8% in spring, 2016.

Transfer Station Replacement: Solid Waste will continue to focus on construction of the new North Transfer Station, with increased costs associated with soil remediation and clean-up not originally anticipated for the project. During the construction of the North Transfer Station, SPU will redirect solid waste drop-off from the northern service area to the old and new southern facilities. The delays in completing construction of the North Transfer Station will mean that the old South Transfer Station, which was planned for decommissioning in 2015, will remain in use, resulting in additional operations and maintenance costs in 2016.

Water Highlights:

Water delivers potable water directly to retail customers both inside the city and in adjacent areas. These retail customers provide about 70% of the Water Fund's 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 23% of Water's projected revenues in 2016. The remaining 7% of revenue come from charges and reimbursement services that the Water Utility provides on behalf of the City, as well as some revenues from grants and contributions.

The Water line of business is now moving away from a period of intensive capital investment in new projects and 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 2016-2021 Proposed CIP.

The City Council adopted water rates for retail customers in 2015 for the 2015-2017 rate period. Due to strong revenue projections and declining costs, the Utility was able to buy down rates in 2015 and reduce expected rate increases in 2016 and 2017, originally anticipated in the Strategic Business plan to grow 5.2% per year. In June 2015, the City Council adopted no increase in 2015, 1.7% increase in 2016, and 2.7% increase in 2017 for the average retail water customer.

Incremental Budget Changes

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	2016	
	Budget	FTE
Total 2016 Endorsed Budget	\$ 1,011,069,077	1,438.05
Proposed Technical Changes		
Shared Technical Changes	\$ 4,661,373	0.00
Tonnage Tax Technical Changes	\$ 276,508	0.00
Proposed Program Changes		
Citywide Summit Re-Implementation Project	\$ 348,990	0.00
Apprenticeship Program	\$ 1,526,329	0.00
Street Restoration Backlog	\$ 1,700,000	0.00
Utility Billing System Positions	\$ 878,620	7.00

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Privacy, PCI Compliance, and Internal Controls	\$ 277,684	2.00
Proposed Strategic Business Plan Changes		
Strategic Business Plan Reductions	-\$ 805,725	0.00
Strategic Business Plan Positions	\$ 0	6.00
Proposed CIP Changes		
Water Fund CIP	-\$ 19,388,676	0.00
Solid Waste Fund CIP	\$ 5,174,837	0.00
Drainage and Wastewater Fund CIP	\$ 5,731,884	7.00
Shared Technology CIP	\$ 12,086,419	0.00
Total Incremental Changes	\$ 12,468,243	22.00
2016 Proposed Budget	\$ 1,023,537,320	1,460.05

Descriptions of Incremental Budget Changes

Proposed Technical Changes

Shared Technical Changes - \$4,661,373

This item reflects adjustments to costs including inflation, taxes, debt service, labor shifts, and miscellaneous changes that include space rent, warehouse costs, and IT maintenance costs.

Tonnage Tax Technical Changes - \$276,508

This appropriation adjustment reflects a technical correction, moving the Tonnage Tax, a general revenue tax, into the General Fund. This change is a net-zero change to the 2016 Budget, as it is offset by a revenue adjustment equal to the change in appropriation authority. This change also includes the restoration of funding for the rat abatement program.

Proposed Program Changes

Citywide Summit Re-Implementation Project - \$348,990

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.

Apprenticeship Program - \$1,526,329

SPU has supported a long-running apprenticeship program in the Water and Drainage and Wastewater lines of business. Historically, SPU has funded these positions through vacancy savings. In 2016, the implementation of

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the Strategic Business Plan prevents SPU from continuing to operate this program on savings. This change will fund the program on an ongoing basis through 2016.

Street Restoration Backlog - \$1,700,000

This item funds additional street restoration work currently in SPU's backlog. SPU is required to temporarily repair roadways after underground utility projects are constructed, but these temporary patches need to be fully replaced. This funding will allow SPU to complete this work in 2016, as well as fund new, ongoing restoration requirements developed by the Seattle Department of Transportation.

Utility Billing System Positions - \$878,620/7.00 FTE

This item reflects an increase to operate the new customer information system project, a joint billing system project shared with Seattle City Light. The funding and permanent positions reflect the anticipated need to staff a new billing system with significant new functionality over the existing system. The positions include a mix of technology and business analyst roles.

Privacy, PCI Compliance, and Internal Controls - \$277,684/2.00 FTE

This item funds needed positions to implement the Mayor's Privacy Program and payment card industry compliance. It also includes work to continue improvements to internal controls.

Proposed Strategic Business Plan Changes

Strategic Business Plan Reductions - (\$805,725)

SPU has identified numerous opportunities to reduce spending in the Drainage and Wastewater line of business without significant reductions in service provision. These reductions were originally contemplated in the six year Strategic Business Plan, and also serve to position the utility to meet the rate schedule in the plan. The reductions include capitalizing costs in applied science, shifting work in-house on asset management performance, and deferring expansion of sewer cleaning, based on re-evaluation of need.

Strategic Business Plan Positions/6.00 FTE

This item reflects an addition of position requests to implement ongoing efforts presented in the Strategic Business Plan. The positions will focus on implementing changes and increasing ongoing investments in the customer service and operational excellence action plans of the Strategic Business Plan. These action plans will focus on improving internal and external web sites, and refocus efforts on sewer pipe inspection and rehabilitation. Funding for these positions was anticipated in the adopted budget, and does not require modification from the originally proposed funding amount.

Proposed CIP Changes

Water Fund CIP - (\$19,388,676)

The CIP budget for the Water Fund includes a number of projects that sustain delivery of water to SPU customers. The 2016-2020 time period will substantially close out an era of major projects in the Water Fund, leaving SPU to shift toward asset management in distribution and transmission. This item reflects these changes with continued investments in distribution, transmission, and watershed stewardship. Overall, the Water Fund CIP will see reductions primarily due to construction of the Morse Lake Pump plant completing earlier than anticipated, and

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select project delays. See the 2016-2021 Proposed Water Capital Improvement Plan budget for full details.

Solid Waste Fund CIP - \$5,174,837

This item reflects major changes to SPU's capital investments in improving and replacing solid waste facilities, the only major capital expenditure in this fund. Increases in this item represent additional soil remediation and associated cost increases required for the construction of the North Transfer Station. See the 2016-2021 Proposed Solid Waste Capital Improvement Plan budget for full details.

Drainage and Wastewater Fund CIP - \$5,731,884/7.00 FTE

This change represents shifts in appropriations for infrastructure replacement, flooding, sewer backups, sedimentation, and water quality investments. The primary driver of this change for both funding and positions reflect the new West Ship Canal Water Quality project intended to meet the requirements of the EPA Combined Sewer Overflow Consent Decree. Also included in this change are ongoing efforts to improve current infrastructure through updates and replacement of drainage infrastructure. See the 2016-2021 Proposed Drainage and Wastewater Capital Improvement Plan budget for full details.

Shared Technology CIP - \$12,086,419

This item funds increased investments in SPU's new customer information system, a joint billing system project with Seattle City Light. Other items include increased funding for the department's contributions to the SUMMIT financial system reimplementation (SRI). A few projects such as the IT infrastructure upgrades, asset data initiative, and science information management system refresh, will be deferred to allow for reprioritization of more timely projects like SUMMIT re-implementation and the new customer information system project. The funding for these projects is shared across all three funds in SPU (Water, Solid Waste, and Drainage and Wastewater). See the 2016-2021 Proposed Shared Technology Capital Improvement Plan budget for full details.

Expenditure Overview

Appropriations	Summit Code	2014 Actuals	2015 Adopted	2016 Endorsed	2016 Proposed
Drainage & Wastewater Utility					
Administration Budget Control					
Administration		13,872,307	16,480,039	16,992,580	19,296,673
General and Administrative Credit		-4,190,473	-9,944,277	-10,112,645	-12,248,965
Total	N100B-DW	9,681,834	6,535,762	6,879,935	7,047,708
Combined Sewer Overflows Budget Control Level	C360B	41,829,677	60,067,214	48,337,450	56,597,377
Customer Service Budget Control Level	N300B-DW	6,002,843	8,879,736	9,167,410	9,649,850
Flooding, Sewer Back-up, and Landslides Budget Control Level	C380B	13,362,111	16,970,226	23,959,712	13,390,009
General Expense Budget Control					

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Debt Service		44,992,202	52,354,194	54,811,431	52,991,823
Other General Expenses		156,392,917	166,851,980	170,478,219	171,164,501
Taxes		44,595,103	45,092,846	47,645,724	48,067,298
Total	N000B-DW	245,980,223	264,299,020	272,935,374	272,223,622
Other Operating Budget Control					
DWW LOB		0	0	0	43,237,946
Field Operations		29,753,519	36,115,991	38,550,270	0
Pre-Capital Planning & Development		1,794,198	1,997,225	1,656,412	1,676,836
Project Delivery		9,256,513	11,192,044	11,280,196	12,736,148
Utility Systems Management		6,309,098	14,977,459	16,397,332	0
Water LOB		0	0	0	7,335,903
Total	N400B-DW	47,113,328	64,282,719	67,884,210	64,986,833
Protection of Beneficial Uses Budget Control Level	C333B	4,282,862	5,181,722	5,820,561	4,820,211
Rehabilitation Budget Control Level	C370B	14,791,864	10,628,749	16,337,804	19,758,185
Sediments Budget Control Level	C350B	3,467,152	4,796,707	2,419,547	4,761,538
Shared Cost Projects Budget Control Level	C410B-DW	10,292,972	16,623,202	14,081,434	17,845,078
Technology Budget Control Level	C510B-DW	5,838,642	10,497,811	7,955,653	12,796,754
Solid Waste Utility					
Administration Budget Control					
Administration		5,286,518	7,077,166	7,338,951	7,761,293
General and Administrative Credit		1,551,661	-1,530,867	-1,400,446	-2,444,057
Total	N100B-SW	6,838,179	5,546,299	5,938,505	5,317,236
Customer Service Budget Control Level	N300B-SW	10,581,653	13,703,556	13,998,618	12,695,274
General Expense Budget Control					
Debt Service		11,101,769	15,139,850	16,127,860	16,508,007
Other General Expenses		105,663,073	108,202,228	110,379,618	117,083,681
Taxes		20,914,408	21,231,600	21,799,998	22,431,755
Total	N000B-SW	137,679,249	144,573,678	148,307,476	156,023,443
New Facilities Budget Control Level	C230B	26,076,822	49,392,636	23,376,746	30,551,733
Other Operating Budget Control					
DWW LOB		0	0	0	80,347

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Field Operations		9,933,457	12,688,531	13,391,168	0
Pre-Capital Planning & Development		163,228	165,825	160,146	150,310
Project Delivery		548,082	939,696	935,049	1,236,948
Solid Waste LOB		0	0	0	16,341,270
Utility Systems Management		2,366,605	2,897,492	2,985,152	0
Water LOB		0	0	0	637,740
Total	N400B-SW	13,011,372	16,691,544	17,471,515	18,446,615
Rehabilitation and Heavy Equipment Budget Control Level	C240B	9,270	30,000	430,000	430,000
Shared Cost Projects Budget Control Level	C410B-SW	433,116	2,192,845	3,147,113	1,146,963
Technology Budget Control Level	C510B-SW	4,000,546	6,780,632	4,662,726	7,234,937
Water Utility					
Administration Budget Control					
Administration		14,411,577	18,505,770	18,649,870	20,396,225
General and Administrative Credit		3,044,103	-7,657,035	-7,645,586	-8,869,247
Total	N100B-WU	17,455,680	10,848,735	11,004,284	11,526,978
Customer Service Budget Control Level	N300B-WU	7,954,242	10,953,950	11,293,691	11,549,731
Distribution Budget Control Level	C110B	17,165,317	20,713,188	17,999,966	21,514,429
General Expense Budget Control					
Debt Service		78,271,145	79,058,917	82,981,804	85,534,987
Other General Expenses		20,664,152	24,225,486	25,706,361	26,608,339
Taxes		40,801,911	39,515,912	41,240,771	41,536,667
Total	N000B-WU	139,737,209	142,800,315	149,928,936	153,679,993
Habitat Conservation Program Budget Control Level	C160B	1,670,971	2,603,680	2,820,534	2,116,292
Other Operating Budget Control					
DWW LOB		0	0	0	221,861
Field Operations		28,165,255	31,329,232	32,364,114	0
Pre-Capital Planning & Development		1,451,801	1,222,396	1,213,164	1,836,304
Project Delivery		4,337,318	5,686,066	5,876,272	6,885,374
Utility Systems Management		13,225,442	18,303,398	18,726,246	0
Water LOB		0	0	0	49,278,701
Total	N400B-WU	47,179,815	56,541,092	58,179,796	58,222,240

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Shared Cost Projects Budget Control Level	C410B-WU	16,075,634	25,164,379	22,933,795	21,701,948
Technology Budget Control Level	C510B-WU	5,567,144	11,044,120	8,641,021	13,314,128
Transmission Budget Control Level	C120B	896,581	2,497,665	3,246,883	3,788,015
Water Quality & Treatment Budget Control Level	C140B	5,055,724	11,417,480	7,577,027	1,846,000
Water Resources Budget Control Level	C150B	6,129,070	13,964,623	23,780,355	7,713,200
Watershed Stewardship Budget Control Level	C130B	99,717	301,000	551,000	841,000
Department Total		866,260,820	1,016,524,285	1,011,069,077	1,023,537,320

Department Full-time Equivalents Total*	1,401.55	1,438.05	1,438.05	1,460.05
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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

2016 Estimated Revenues

Summit Code	Source	2014 Actuals	2015 Adopted	2016 Endorsed	2016 Proposed
408000	Capital Grants and Contributions (excluding donated assets)	3,488,926	1,500,000	1,500,000	1,506,000
437010	Call Center Reimbursement from SCL	1,753,804	1,735,350	1,770,057	2,096,265
443510	Wastewater Utility Services	244,533,594	242,803,054	251,553,900	252,901,185
443610	Drainage Utility Services	92,783,536	99,682,641	109,841,091	107,150,170
443691	Side Sewer Permit Fees	1,482,579	1,030,318	1,030,318	1,030,318
443694	Drainage Permit Fees	440,321	247,935	247,935	285,645
461110	Build America Bond Interest Income	4,008,812	1,749,879	1,749,879	2,146,436
469990	Other Operating Revenues	32,788	93,952	93,952	98,656
469990	Transfer from Construction Fund	65,705,830	78,162,818	73,698,523	89,717,758
479010	Operating Grants	978,178	850,000	850,000	1,598,155
543210	GF - Various GIS & Eng Svcs (N4303)	1,382,324	1,473,023	1,498,316	1,500,730
543210	GIS CGDB Corporate Support (N2408 and N2418)	1,597,839	1,138,048	1,138,048	1,658,992
543210	GIS Maps & Publications (N2409 and 2419)	407,692	157,619	157,619	157,619
543210	Parks & Other City Depts. (N4405)	106,116	511,053	511,053	1,126,276

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543210	SCL for ReLeaf	0	0	0	83,343
543210	SCL Fund (N4403)	761,306	339,176	339,176	235,404
543210	SDOT Fund (N4404)	2,085,829	2,071,956	2,071,956	3,692,608
	Total Drainage and Wastewater Fund	421,549,473	433,546,823	448,051,823	466,985,560
408000	Other Nonoperating Revenue	2,500,274	525,323	257,911	409,735
437010	Operating Fees, Contributions and grants	1,028,691	350,000	350,000	750,000
443450	Recycling Processing Revenues	1,051,473	808,928	833,196	0
443710	Commercial Services	50,842,702	50,584,466	52,385,416	52,710,680
443710	Residential Services	106,793,694	111,249,873	115,649,758	119,255,675
443741	Recycling and Disposal Station Charges	8,239,013	7,452,153	8,289,699	8,980,682
443745	Comm'l Disposal (Longhaul) Charges	842,616	540,693	567,727	487,597
469990	Other Operating Revenue	228,321	144,188	144,188	144,188
481200	Transfers from Construction Fund	32,325,070	46,574,933	8,783,390	25,970,300
587000	Op Transfer In - Rev Stab Subfund	-10,500,000	3,400,000	3,057,784	4,000,000
587001	GF - Various Clean City Prgms	0	439,000	167,061	264,713
587001	Tonnage Tax Transfer Fee - In City	4,086,417	3,724,447	3,897,069	4,038,849
587001	Tonnage Tax Transfer Fee - Out City	2,291,661	1,827,705	1,827,705	2,031,841
705000	Call Center Reimbursement from SCL	1,742,130	1,807,822	1,880,135	2,096,265
705000	KC Reimb for Local Hzrd Waste Mgt Prgm	3,176,126	2,839,229	2,952,798	2,616,844
	Total Solid Waste Fund	204,648,187	232,268,760	201,043,837	223,757,369
408000	Other Non-Operating Revenue	783,463	428,752	434,111	2,477,707
408000	Reimbursement for NS activities	646,609	270,075	276,827	0
437010	Operating Grants	181,620	0	0	0
443410	Retail Water Sales	179,935,313	175,276,039	183,136,316	181,874,865
443420	Water Service for Fire Protection	8,291,984	8,105,887	8,469,397	8,889,680
443420	Wholesale Water Sales	54,808,240	46,235,420	47,131,078	48,933,764
443450	Facilities Charges	839,024	450,000	450,000	911,239
443450	Tap Fees	6,945,165	4,438,998	4,580,426	6,581,000
461110	Build America Bond Interest Income	1,980,701	2,135,334	2,135,334	2,135,334
462500	Rentals--Non-City	557,828	600,453	615,464	606,068
469990	Other Operating Revenues	2,298,495	2,293,993	2,351,342	2,477,957
479010	Capital Grants and Contributions	4,262,289	2,988,592	3,063,038	8,294,799
481200	Public Works Loan Proceeds	0	0	0	0
481200	Transfers from Construction Fund	18,000,000	34,616,699	53,933,755	39,217,360

Seattle Public Utilities

543970	Inventory Purchased by SDOT	771,241	801,585	817,616	0
587000	Op Transfer In - Rev Stab Subfund	-8,171,712	1,800,000	1,800,000	4,500,000
587000	Op Transfer In - Rev Stab Subfund - BPA Acct	0	0	0	200,000
705000	Call Center Reimbursement from SCL	1,704,802	1,787,936	1,823,695	2,159,788
	Total Water Fund	273,835,061	282,229,762	311,018,398	309,259,561
	Total Revenues	900,032,722	948,045,345	960,114,059	1,000,002,490
379100	Decrease (Increase) in Working Capital	-18,905,965	35,216,045	27,727,267	16,891,605
	Total Drainage and Wastewater Fund	-18,905,965	35,216,045	27,727,267	16,891,605
379100	Decrease (Increase) in Working Capital	-6,017,980	6,642,430	16,288,861	8,088,832
	Total Solid Waste Fund	-6,017,980	6,642,430	16,288,861	8,088,832
379100	Decrease (Increase) in Working Capital	-8,847,956	26,620,465	6,938,890	-1,445,607
	Total Water Fund	-8,847,956	26,620,465	6,938,890	-1,445,607
	Total Resources	866,260,821	1,016,524,285	1,011,069,077	1,023,537,320

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.

	2014	2015	2016	2016
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Administration	13,872,307	16,480,039	16,992,580	19,296,673
General and Administrative Credit	-4,190,473	-9,944,277	-10,112,645	-12,248,965
Total	9,681,834	6,535,762	6,879,935	7,047,708
Full-time Equivalents Total*	58.75	66.75	66.75	68.75

* 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 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.

	2014	2015	2016	2016
Expenditures/FTE	Actuals	Adopted	Endorsed	Proposed
Administration	13,872,307	16,480,039	16,992,580	19,296,673
Full-time Equivalents Total	58.75	66.75	66.75	68.75

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.

	2014	2015	2016	2016
Expenditures	Actuals	Adopted	Endorsed	Proposed
General and Administrative Credit	-4,190,473	-9,944,277	-10,112,645	-12,248,965

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	2014	2015	2016	2016
	Actuals	Adopted	Endorsed	Proposed
Combined Sewer Overflows	41,829,677	60,067,214	48,337,450	56,597,377
Total	41,829,677	60,067,214	48,337,450	56,597,377
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	2014	2015	2016	2016
	Actuals	Adopted	Endorsed	Proposed
Customer Service	6,002,843	8,879,736	9,167,410	9,649,850
Total	6,002,843	8,879,736	9,167,410	9,649,850
Full-time Equivalents Total*	57.50	59.50	59.50	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.

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	2014	2015	2016	2016
	Actuals	Adopted	Endorsed	Proposed
Flooding, Sewer Back-up, and Landslides	13,362,111	16,970,226	23,959,712	13,390,009
Total	13,362,111	16,970,226	23,959,712	13,390,009
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	2014	2015	2016	2016
	Actuals	Adopted	Endorsed	Proposed
Debt Service	44,992,202	52,354,194	54,811,431	52,991,823
Other General Expenses	156,392,917	166,851,980	170,478,219	171,164,501
Taxes	44,595,103	45,092,846	47,645,724	48,067,298
Total	245,980,223	264,299,020	272,935,374	272,223,622
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	2014	2015	2016	2016
	Actuals	Adopted	Endorsed	Proposed
Debt Service	44,992,202	52,354,194	54,811,431	52,991,823

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	2014	2015	2016	2016
	Actuals	Adopted	Endorsed	Proposed
Other General Expenses	156,392,917	166,851,980	170,478,219	171,164,501
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	2014	2015	2016	2016
	Actuals	Adopted	Endorsed	Proposed
Taxes	44,595,103	45,092,846	47,645,724	48,067,298

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	2014	2015	2016	2016
	Actuals	Adopted	Endorsed	Proposed
DWW LOB	0	0	0	43,237,946
Field Operations	29,753,519	36,115,991	38,550,270	0
Pre-Capital Planning & Development	1,794,198	1,997,225	1,656,412	1,676,836
Project Delivery	9,256,513	11,192,044	11,280,196	12,736,148
Utility Systems Management	6,309,098	14,977,459	16,397,332	0
Water LOB	0	0	0	7,335,903
Total	47,113,328	64,282,719	67,884,210	64,986,833
Full-time Equivalents Total*	264.55	286.05	286.05	294.05

* 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.

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	2014 Actuals	2015 Adopted	2016 Endorsed	2016 Proposed
DWW LOB	0	0	0	43,237,946

Field Operations Program

Until 2016, the purpose of the Drainage and Wastewater Utility's Field Operations Program is to operate and maintain drainage and wastewater infrastructure that protects the public's health, and protects and improves the environment. In 2016, The Drainage and Wastewater Utility's Field Operations Program was disbanded with various portions of the program being reorganized into the Drainage and Wastewater Line of Business, the Solid Waste Line of Business, the Water Line of Business, or the Administration Program.

Expenditures/FTE	2014 Actuals	2015 Adopted	2016 Endorsed	2016 Proposed
Field Operations	29,753,519	36,115,991	38,550,270	0
Full-time Equivalents Total	107.25	118.75	118.75	118.75

Seattle Public Utilities

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.

	2014	2015	2016	2016
Expenditures	Actuals	Adopted	Endorsed	Proposed
Pre-Capital Planning & Development	1,794,198	1,997,225	1,656,412	1,676,836

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.

	2014	2015	2016	2016
Expenditures/FTE	Actuals	Adopted	Endorsed	Proposed
Project Delivery	9,256,513	11,192,044	11,280,196	12,736,148
Full-time Equivalent Total	67.00	74.00	74.00	81.00

Utility Systems Management Program

Until 2016, the purpose of the Drainage and Wastewater Utility's Utility Systems Management Program was to ensure that each SPU utility system and associated assets were properly planned, developed, operated, and maintained and that asset management principles and practices were applied to achieve established customer and environmental service levels at the lowest life cycle cost. In 2016, The Drainage and Wastewater Utility's Utility Systems Management Program was disbanded with various portions of the program being reorganized into the Drainage and Wastewater Line of Business, the Solid Waste Line of Business, the Water Line of Business, or the Administration Program.

	2014	2015	2016	2016
Expenditures/FTE	Actuals	Adopted	Endorsed	Proposed
Utility Systems Management	6,309,098	14,977,459	16,397,332	0
Full-time Equivalent Total	90.30	93.30	93.30	93.30

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.

	2014	2015	2016	2016
Expenditures/FTE	Actuals	Adopted	Endorsed	Proposed
Water LOB	0	0	0	7,335,903
Full-time Equivalent Total	0.00	0.00	0.00	1.00

Seattle Public Utilities

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.

Program Expenditures	2014	2015	2016	2016
	Actuals	Adopted	Endorsed	Proposed
Protection of Beneficial Uses	4,282,862	5,181,722	5,820,561	4,820,211
Total	4,282,862	5,181,722	5,820,561	4,820,211
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.

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	2014	2015	2016	2016
	Actuals	Adopted	Endorsed	Proposed
Rehabilitation	14,791,864	10,628,749	16,337,804	19,758,185
Total	14,791,864	10,628,749	16,337,804	19,758,185
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	2014	2015	2016	2016
	Actuals	Adopted	Endorsed	Proposed
Sediments	3,467,152	4,796,707	2,419,547	4,761,538
Total	3,467,152	4,796,707	2,419,547	4,761,538
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.

Seattle Public Utilities

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	2014	2015	2016	2016
	Actuals	Adopted	Endorsed	Proposed
Shared Cost Projects	10,292,972	16,623,202	14,081,434	17,845,078
Total	10,292,972	16,623,202	14,081,434	17,845,078
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.

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	2014	2015	2016	2016
	Actuals	Adopted	Endorsed	Proposed
Technology	5,838,642	10,497,811	7,955,653	12,796,754
Total	5,838,642	10,497,811	7,955,653	12,796,754
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	2014	2015	2016	2016
	Actuals	Adopted	Endorsed	Proposed
Administration	5,286,518	7,077,166	7,338,951	7,761,293
General and Administrative Credit	1,551,661	-1,530,867	-1,400,446	-2,444,057
Total	6,838,179	5,546,299	5,938,505	5,317,236
Full-time Equivalents Total*	27.50	28.50	28.50	28.50

* 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 Public Utilities

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.

	2014	2015	2016	2016
Expenditures/FTE	Actuals	Adopted	Endorsed	Proposed
Administration	5,286,518	7,077,166	7,338,951	7,761,293
Full-time Equivalents Total	27.50	28.50	28.50	28.50

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.

	2014	2015	2016	2016
Expenditures	Actuals	Adopted	Endorsed	Proposed
General and Administrative Credit	1,551,661	-1,530,867	-1,400,446	-2,444,057

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.

	2014	2015	2016	2016
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Customer Service	10,581,653	13,703,556	13,998,618	12,695,274
Total	10,581,653	13,703,556	13,998,618	12,695,274
Full-time Equivalents Total*	84.50	84.50	84.50	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.

	2014	2015	2016	2016
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Debt Service	11,101,769	15,139,850	16,127,860	16,508,007
Other General Expenses	105,663,073	108,202,228	110,379,618	117,083,681
Taxes	20,914,408	21,231,600	21,799,998	22,431,755
Total	137,679,249	144,573,678	148,307,476	156,023,443

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.

	2014	2015	2016	2016
Expenditures	Actuals	Adopted	Endorsed	Proposed
Debt Service	11,101,769	15,139,850	16,127,860	16,508,007

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.

	2014	2015	2016	2016
Expenditures	Actuals	Adopted	Endorsed	Proposed
Other General Expenses	105,663,073	108,202,228	110,379,618	117,083,681

Taxes Program

The purpose of the Solid Waste Utility Taxes Program is to appropriate funds for payment of city and state taxes.

	2014	2015	2016	2016
Expenditures	Actuals	Adopted	Endorsed	Proposed
Taxes	20,914,408	21,231,600	21,799,998	22,431,755

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.

	2014	2015	2016	2016
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
New Facilities	26,076,822	49,392,636	23,376,746	30,551,733
Total	26,076,822	49,392,636	23,376,746	30,551,733
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	2014	2015	2016	2016
	Actuals	Adopted	Endorsed	Proposed
DWW LOB	0	0	0	80,347
Field Operations	9,933,457	12,688,531	13,391,168	0
Pre-Capital Planning & Development	163,228	165,825	160,146	150,310
Project Delivery	548,082	939,696	935,049	1,236,948
Solid Waste LOB	0	0	0	16,341,270
Utility Systems Management	2,366,605	2,897,492	2,985,152	0
Water LOB	0	0	0	637,740
Total	13,011,372	16,691,544	17,471,515	18,446,615
Full-time Equivalents Total*	76.56	76.56	76.56	78.56

** FTE totals are provided for information 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	2014	2015	2016	2016
	Actuals	Adopted	Endorsed	Proposed
DWW LOB	0	0	0	80,347
Full-time Equivalents Total	0.00	0.00	0.00	2.00

Field Operations Program

Until 2016, the purpose of the Solid Waste Utility's Field Operations Program is to operate and maintain the City's solid waste transfer stations and hazardous materials disposal facilities, and to monitor and maintain the City's closed landfills so the public's health is protected and opportunities are provided for reuse and recycling. In 2016, the Solid Waste Utility's Field Operations program was disbanded with various portions of the program being reorganized into the Drainage and Wastewater Line of Business, the Solid Waste Line of Business, the Water Line of Business, or the Administration Program.

Expenditures/FTE	2014	2015	2016	2016
	Actuals	Adopted	Endorsed	Proposed
Field Operations	9,933,457	12,688,531	13,391,168	0
Full-time Equivalents Total	57.00	57.00	57.00	57.00

Seattle Public Utilities

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.

	2014 Actuals	2015 Adopted	2016 Endorsed	2016 Proposed
Expenditures				
Pre-Capital Planning & Development	163,228	165,825	160,146	150,310

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.

	2014 Actuals	2015 Adopted	2016 Endorsed	2016 Proposed
Expenditures				
Project Delivery	548,082	939,696	935,049	1,236,948

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.

	2014 Actuals	2015 Adopted	2016 Endorsed	2016 Proposed
Expenditures				
Solid Waste LOB	0	0	0	16,341,270

Utility Systems Management Program

Until 2016, the purpose of the Solid Waste Utility's Utility Systems Management Program is to ensure that each SPU utility system and associated assets are properly planned, developed, operated, and maintained and that asset management principles and practices are applied to achieve established customer and environmental service levels at the lowest life cycle cost. In 2016, the Solid Waste Utility's Utility Systems Management Program was disbanded with various portions of the program being reorganized into the Drainage and Wastewater Line of Business, the Solid Waste Line of Business, the Water Line of Business, or the Administration Program.

	2014 Actuals	2015 Adopted	2016 Endorsed	2016 Proposed
Expenditures/FTE				
Utility Systems Management	2,366,605	2,897,492	2,985,152	0
Full-time Equivalents Total	19.56	19.56	19.56	19.56

Seattle Public Utilities

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.

Expenditures	2014 Actuals	2015 Adopted	2016 Endorsed	2016 Proposed
Water LOB	0	0	0	637,740

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.

Program Expenditures	2014 Actuals	2015 Adopted	2016 Endorsed	2016 Proposed
Rehabilitation and Heavy Equipment	9,270	30,000	430,000	430,000
Total	9,270	30,000	430,000	430,000

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	2014 Actuals	2015 Adopted	2016 Endorsed	2016 Proposed
Shared Cost Projects	433,116	2,192,845	3,147,113	1,146,963
Total	433,116	2,192,845	3,147,113	1,146,963

Seattle Public Utilities

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.

	2014	2015	2016	2016
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Technology	4,000,546	6,780,632	4,662,726	7,234,937
Total	4,000,546	6,780,632	4,662,726	7,234,937
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.

	2014	2015	2016	2016
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Administration	14,411,577	18,505,770	18,649,870	20,396,225
General and Administrative Credit	3,044,103	-7,657,035	-7,645,586	-8,869,247
Total	17,455,680	10,848,735	11,004,284	11,526,978
Full-time Equivalents Total*	96.10	98.10	98.10	99.10

* 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.

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.

	2014	2015	2016	2016
Expenditures/FTE	Actuals	Adopted	Endorsed	Proposed
Administration	14,411,577	18,505,770	18,649,870	20,396,225
Full-time Equivalents Total	96.10	98.10	98.10	99.10

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.

	2014	2015	2016	2016
Expenditures	Actuals	Adopted	Endorsed	Proposed
General and Administrative Credit	3,044,103	-7,657,035	-7,645,586	-8,869,247

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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.

	2014	2015	2016	2016
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Customer Service	7,954,242	10,953,950	11,293,691	11,549,731
Total	7,954,242	10,953,950	11,293,691	11,549,731
Full-time Equivalents Total*	82.00	82.00	82.00	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.

	2014	2015	2016	2016
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Distribution	17,165,317	20,713,188	17,999,966	21,514,429
Total	17,165,317	20,713,188	17,999,966	21,514,429
Full-time Equivalents Total*	79.00	79.00	79.00	79.00

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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.

	2014	2015	2016	2016
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Debt Service	78,271,145	79,058,917	82,981,804	85,534,987
Other General Expenses	20,664,152	24,225,486	25,706,361	26,608,339
Taxes	40,801,911	39,515,912	41,240,771	41,536,667
Total	139,737,209	142,800,315	149,928,936	153,679,993

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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.

	2014	2015	2016	2016
Expenditures	Actuals	Adopted	Endorsed	Proposed
Debt Service	78,271,145	79,058,917	82,981,804	85,534,987

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.

	2014	2015	2016	2016
Expenditures	Actuals	Adopted	Endorsed	Proposed
Other General Expenses	20,664,152	24,225,486	25,706,361	26,608,339

Taxes Program

The purpose of the Water Utility Taxes Program is to appropriate funds for payment of city and state taxes.

	2014	2015	2016	2016
Expenditures	Actuals	Adopted	Endorsed	Proposed
Taxes	40,801,911	39,515,912	41,240,771	41,536,667

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.

	2014	2015	2016	2016
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Habitat Conservation Program	1,670,971	2,603,680	2,820,534	2,116,292
Total	1,670,971	2,603,680	2,820,534	2,116,292
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.*

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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	2014	2015	2016	2016
	Actuals	Adopted	Endorsed	Proposed
DWW LOB	0	0	0	221,861
Field Operations	28,165,255	31,329,232	32,364,114	0
Pre-Capital Planning & Development	1,451,801	1,222,396	1,213,164	1,836,304
Project Delivery	4,337,318	5,686,066	5,876,272	6,885,374
Utility Systems Management	13,225,442	18,303,398	18,726,246	0
Water LOB	0	0	0	49,278,701
Total	47,179,815	56,541,092	58,179,796	58,222,240
Full-time Equivalents Total*	268.59	270.59	270.59	272.59

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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	2014	2015	2016	2016
	Actuals	Adopted	Endorsed	Proposed
DWW LOB	0	0	0	221,861
Full-time Equivalents Total	0.00	0.00	0.00	2.00

Field Operations Program

Until 2016, the purpose of the Water Utility's Field Operations Program is to operate and maintain the infrastructure that provides the public with an adequate, reliable, and safe supply of high-quality drinking water. In 2016, the Water Utility's Field Operations Program was disbanded with various portions of the program being reorganized into the Drainage and Wastewater Line of Business, the Solid Waste Line of Business, the Water Line of Business, or the Administration Program.

Expenditures/FTE	2014	2015	2016	2016
	Actuals	Adopted	Endorsed	Proposed
Field Operations	28,165,255	31,329,232	32,364,114	0
Full-time Equivalents Total	122.00	124.00	124.00	124.00

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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.

	2014	2015	2016	2016
Expenditures	Actuals	Adopted	Endorsed	Proposed
Pre-Capital Planning & Development	1,451,801	1,222,396	1,213,164	1,836,304

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.

	2014	2015	2016	2016
Expenditures/FTE	Actuals	Adopted	Endorsed	Proposed
Project Delivery	4,337,318	5,686,066	5,876,272	6,885,374
Full-time Equivalents Total	24.50	24.50	24.50	24.50

Utility Systems Management Program

Until 2016, the purpose of the Water Utility's Utility Systems Management Program is to assure that SPU utility system and associated assets are properly planned, developed, operated and maintained and that asset management principles and practices are applied to achieve established customer and environmental service levels at the lowest life cycle cost. In 2016, The Water Utility's Utility Systems Management Program was disbanded with various portions of the program being reorganized into the Drainage and Wastewater Line of Business, the Solid Waste Line of Business, the Water Line of Business, or the Administration Program.

	2014	2015	2016	2016
Expenditures/FTE	Actuals	Adopted	Endorsed	Proposed
Utility Systems Management	13,225,442	18,303,398	18,726,246	0
Full-time Equivalents Total	122.09	122.09	122.09	122.09

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.

	2014	2015	2016	2016
Expenditures	Actuals	Adopted	Endorsed	Proposed
Water LOB	0	0	0	49,278,701

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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	2014	2015	2016	2016
	Actuals	Adopted	Endorsed	Proposed
Shared Cost Projects	16,075,634	25,164,379	22,933,795	21,701,948
Total	16,075,634	25,164,379	22,933,795	21,701,948
Full-time Equivalents Total*	56.00	56.00	56.00	56.00

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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	2014	2015	2016	2016
	Actuals	Adopted	Endorsed	Proposed
Technology	5,567,144	11,044,120	8,641,021	13,314,128
Total	5,567,144	11,044,120	8,641,021	13,314,128
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	2014	2015	2016	2016
	Actuals	Adopted	Endorsed	Proposed
Transmission	896,581	2,497,665	3,246,883	3,788,015
Total	896,581	2,497,665	3,246,883	3,788,015
Full-time Equivalents Total*	5.00	5.00	5.00	5.00

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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.

	2014	2015	2016	2016
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Water Quality & Treatment	5,055,724	11,417,480	7,577,027	1,846,000
Total	5,055,724	11,417,480	7,577,027	1,846,000
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.

	2014	2015	2016	2016
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Water Resources	6,129,070	13,964,623	23,780,355	7,713,200
Total	6,129,070	13,964,623	23,780,355	7,713,200
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.

	2014	2015	2016	2016
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Watershed Stewardship	99,717	301,000	551,000	841,000
Total	99,717	301,000	551,000	841,000
Full-time Equivalents Total*	8.00	8.00	8.00	8.00

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SPU Fund Table

Drainage and Wastewater Utility Fund (44010)

	2014 Actuals	2015 Adopted	2015 Revised	2016 Endorsed	2016 Proposed
Operating Cash at End of Previous Year	74,944,000	83,621,000	101,299,000	58,291,000	82,658,000
Plus: Actual and Estimated Revenues	421,549,473	433,546,823	438,774,798	448,051,823	466,985,561
Less: Actual and Budgeted Expenditures	402,643,507	468,762,868	468,762,868	475,779,095	483,877,165
Plus: CIP Accomplishment Assumption	0	12,476,563	0	11,891,216	0
Plus: Accounting and Technical Adjustments	7,449,035	-2,590,518	11,347,070	-4,094,560	-13,266,396
Ending Operating Cash	101,299,000	58,291,000	82,658,000	38,360,384	52,500,000
Planning Reserve	0	-1,388,010	-1,067,700	-4,693,128	-4,102,843
Ending Unreserved Operating Cash	101,299,000	56,902,990	81,590,300	33,667,256	48,397,157

Solid Waste Utility Fund (45010)

	2014 Actuals	2015 Adopted	2015 Revised	2016 Endorsed	2016 Proposed
Operating Cash at End of Previous Year	21,000,000	30,518,000	30,518,000	31,600,720	34,371,000
Plus: Actual and Estimated Revenues	204,648,187	232,268,760	239,514,601	201,043,837	223,757,369
Less: Actual and Budgeted Expenditures	198,630,207	238,911,190	238,911,189	217,332,698	231,846,201
Plus: CIP Accomplishment Assumptions	0	5,839,611	0	3,161,658	0
Plus: Accounting and Technical Adjustments	3,500,020	1,885,538	3,249,589	-12,040,592	4,768,832
Ending Operating Cash	30,518,000	31,600,720	34,371,000	6,432,925	29,576,289
Planning Reserve	0	-534,509	-411,160	-1,774,481	-1,474,711
Ending Unreserved Operating Cash	30,518,000	31,066,211	33,959,840	4,658,444	29,576,289

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Water Utility Fund (43000)

	2014 Actuals	2015 Adopted	2015 Revised	2016 Endorsed	2016 Proposed
Operating Cash at End of Previous Year	29,046,000	33,342,001	42,116,000	8,795,229	25,292,000
Plus: Actual and Estimated Revenues	273,835,061	282,229,761	306,377,485	311,018,399	309,259,561
Less: Actual and Budgeted Expenditures	264,987,105	308,850,227	308,850,227	317,957,283	307,813,954
Plus: CIP Accomplishment Assumptions	0	13,155,920	0	13,132,587	0
Plus: Accounting and Technical Adjustments	4,222,044	-11,082,227	-14,350,259	-5,820,296	-11,738,607
Ending Operating Cash	42,116,000	8,795,229	25,292,999	9,168,636	15,000,000
Planning Reserve	0	-1,376,637	-1,058,951	-4,616,354	-3,979,475
Ending Unreserved Operating Cash	42,116,000	7,418,591	24,234,048	4,552,282	11,020,525