

2011 - 2012 Seattle City Council Green Sheet

Ready for Notebook

Tab	Action	Option	Version
17	1	A	1

Budget Action Title: Reduce City Light's appropriation for 2011 by \$4.6 million and for 2012 by \$7 million; Amend C.B. 117010 - the City Light rate ordinance - accordingly, and pass as amended.

Councilmembers: Conlin; Harrell; Licata

Staff Analyst: Tony Kilduff

Council Bill or Resolution: C.B. 117010, tab 42 in the gray notebook

Date		Total	SB	BH	SC	TR	JG	NL	RC	TB	MO
	Yes										
	No										
	Abstain										
	Absent										

Summary of Dollar Effect

See the following pages for detailed technical information

	2011 Increase (Decrease)	2012 Increase (Decrease)
General Subfund		
General Subfund Revenues	\$0	(\$430,000)
General Subfund Expenditures	\$0	(\$124,000)
Net Balance Effect	\$0	(\$306,000)
Other Funds		
City Light Fund		
Revenues	(\$4,667,652)	(\$7,167,652)
Expenditures	(\$4,667,652)	(\$7,597,652)
Net Balance Effect	\$0	\$430,000
Total Other Funds	\$0	\$430,000
Total Budget Balance Effect	\$0	\$124,000

Budget Action description:

This green sheet would reduce City Light appropriations for 2011 by approximately \$4.6 million and use the savings to reduce budgeted wholesale revenue for 2011. It would further reduce appropriations for 2012 by approximately \$7 million, using the savings in that case to reduce the proposed rate increase for 2012 from 4.2% to approximately 3.2%. Finally, it would amend C.B. 117010, the City Light rate ordinance, and pass it as amended.

Proposed 2011 actions:

<i>Tab</i>	<i>Action</i>	<i>Option</i>	<i>Version</i>
17	1	A	1

1. Abrogate 43 vacant positions, saving \$4.6 million in budgeted salaries and benefits. 22 of those positions have been vacant for 18 months or longer. City Light will still have about 60 vacant positions, resulting in a vacancy rate of around 3%; and
2. Use the savings to reduce the budgeted wholesale revenue by \$4.6 million.

The second item deserves some comment as the usual use of cost savings is to reduce rates in the year in which they occur. Based on City Light's current estimate, budgeted wholesale revenues in 2011 are about \$20 million higher than the utility expects to receive. If wholesale revenues come in below the budgeted amount, City Light will make withdrawals from the Rate Stabilization Account (RSA). Those withdrawals, if they are large enough, will trigger a reinstatement of the surcharge at some level.

Proposed 2012 actions:

3. Recognize the continued savings from the 42 positions cut in 2011 (\$4.6 million);
4. Reduce the allowance in the 2012 Proposed Budget for inflation from \$8 million to \$6 million to reflect a downward revision in projections of inflation;
5. Reduce City Light's overall budget by \$500,000 to encourage the utility to find workplace efficiencies; and
6. Use the savings of approximately \$7 million to reduce the rate increase in 2012 from 4.2% to 3.2%; and
7. Adjust GSF tax revenue and expense for streetlights to reflect the lower rates.

The recommendation here is to use the savings to lower the 2012 rate increase rather than reducing the 2012 budgeted wholesale revenue because we will have a better sense of the disparity, if any, between the budgeted number and the best estimate for 2012 during next year's budget review.

Tab	Action	Option	Version
17	1	A	1

Budget Action Transactions

Budget Action Title: Reduce City Light's appropriation for 2011 by \$4.6 million and for 2012 by \$7 million; Amend C.B. 117010 - the City Light rate ordinance - accordingly, and pass as amended.

#	Transaction Description	Position Title	Number of Positions	FTE	Dept	BCL or Revenue Source	Summit Code	Fund	Year	Revenue Amount	Expenditure Amount
1	Cut vacant position and reduce appropriation accordingly	Equal Emplmnt Coord - FT	-1	-1	SCL	Human Resources	SCL400	41000	2011		(\$74,286)
2	Cut vacant position and reduce appropriation accordingly	Equal Emplmnt Coord - FT	-1	-1	SCL	Human Resources	SCL400	41000	2012		(\$74,286)
3	Cut vacant position and reduce appropriation accordingly	Carpenter CC - FT	-1	-1	SCL	Power Supply O&M	SCL210	41000	2011		(\$65,847)
4	Cut vacant position and reduce appropriation accordingly	Carpenter CC - FT	-1	-1	SCL	Power Supply O&M	SCL210	41000	2012		(\$65,847)
5	Cut vacant position and reduce appropriation accordingly	Elctn-Con - FT	-1	-1	SCL	Power Supply O&M	SCL210	41000	2011		(\$77,974)
6	Cut vacant position and reduce appropriation accordingly	Elctn-Con - FT	-1	-1	SCL	Power Supply O&M	SCL210	41000	2012		(\$77,974)
7	Cut vacant position and reduce appropriation accordingly	Prot&Cntrl Elctn II - FT	-1	-1	SCL	Power Supply O&M	SCL210	41000	2011		(\$92,006)
8	Cut vacant position and reduce appropriation accordingly	Prot&Cntrl Elctn II - FT	-1	-1	SCL	Power Supply O&M	SCL210	41000	2012		(\$92,006)
9	Cut vacant position and reduce appropriation accordingly	Truck Drvr,Heavy - FT	-1	-1	SCL	Power Supply O&M	SCL210	41000	2011		(\$54,943)

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17	1	A	1

#	Transaction Description	Position Title	Number of Positions	FTE	Dept	BCL or Revenue Source	Summit Code	Fund	Year	Revenue Amount	Expenditure Amount
10	Cut vacant position and reduce appropriation accordingly	Truck Drvr,Heavy - FT	-1	-1	SCL	Power Supply O&M	SCL210	41000	2012		(\$54,943)
11	Cut vacant position and reduce appropriation accordingly	Store Clerk - FT	-1	-1	SCL	Power Supply O&M	SCL210	41000	2011		(\$30,037)
12	Cut vacant position and reduce appropriation accordingly	Store Clerk - FT	-1	-1	SCL	Power Supply O&M	SCL210	41000	2012		(\$30,037)
13	Cut vacant position and reduce appropriation accordingly	Elecl Pwr Sysys Engr - FT	-1	-1	SCL	Power Supply O&M	SCL210	41000	2011		(\$102,168)
14	Cut vacant position and reduce appropriation accordingly	Elecl Pwr Sysys Engr - FT	-1	-1	SCL	Power Supply O&M	SCL210	41000	2012		(\$102,168)
15	Cut vacant position and reduce appropriation accordingly	Civil Engr,Assoc - FT	-1	-1	SCL	Power Supply O&M	SCL210	41000	2011		(\$77,413)
16	Cut vacant position and reduce appropriation accordingly	Civil Engr,Assoc - FT	-1	-1	SCL	Power Supply O&M	SCL210	41000	2012		(\$77,413)
17	Cut vacant position and reduce appropriation accordingly	Civil Engr,Sr - FT	-1	-1	SCL	Power Supply O&M	SCL210	41000	2011		(\$96,035)
18	Cut vacant position and reduce appropriation accordingly	Civil Engr,Sr - FT	-1	-1	SCL	Power Supply O&M	SCL210	41000	2012		(\$96,035)
19	Cut vacant position and reduce appropriation accordingly	Elecl Svc Engr - FT	-1	-1	SCL	Customer Services	SCL320	41000	2011		(\$85,732)

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#	Transaction Description	Position Title	Number of Positions	FTE	Dept	BCL or Revenue Source	Summit Code	Fund	Year	Revenue Amount	Expenditure Amount
20	Cut vacant position and reduce appropriation accordingly	Elecl Svc Engr - FT	-1	-1	SCL	Customer Services	SCL320	41000	2012		(\$85,732)
21	Cut vacant position and reduce appropriation accordingly	Pwr Dispatcher,Sr - FT	-1	-1	SCL	Customer Services and Energy Delivery - CIP	SCL350	41000	2011		(\$106,799)
22	Cut vacant position and reduce appropriation accordingly	Pwr Dispatcher,Sr - FT	-1	-1	SCL	Customer Services and Energy Delivery - CIP	SCL350	41000	2012		(\$106,799)
23	Cut vacant position and reduce appropriation accordingly	Elecl Svc Rep,Supvsng - FT	-1	-1	SCL	Customer Services	SCL320	41000	2011		(\$75,689)
24	Cut vacant position and reduce appropriation accordingly	Elecl Svc Rep,Supvsng - FT	-1	-1	SCL	Customer Services	SCL320	41000	2012		(\$75,689)
25	Cut vacant position and reduce appropriation accordingly	Elecl Engr,Asst III - FT	-1	-1	SCL	Customer Services	SCL320	41000	2011		(\$70,838)
26	Cut vacant position and reduce appropriation accordingly	Elecl Engr,Asst III - FT	-1	-1	SCL	Customer Services	SCL320	41000	2012		(\$70,838)
27	Cut vacant position and reduce appropriation accordingly	Cblspl-Net Area - FT	-1	-1	SCL	Customer Services and Energy Delivery - CIP	SCL350	41000	2011		(\$77,974)
28	Cut vacant position and reduce appropriation accordingly	Cblspl-Net Area - FT	-1	-1	SCL	Customer Services and Energy Delivery - CIP	SCL350	41000	2012		(\$77,974)
29	Cut vacant position and reduce appropriation accordingly	Manager2,Utills-BU - FT	-1	-1	SCL	Power Supply & Environmental Affairs - CIP	SCL250	41000	2011		(\$106,378)

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17	1	A	1

#	Transaction Description	Position Title	Number of Positions	FTE	Dept	BCL or Revenue Source	Summit Code	Fund	Year	Revenue Amount	Expenditure Amount
30	Cut vacant position and reduce appropriation accordingly	Manager2,Utills-BU - FT	-1	-1	SCL	Power Supply & Environmental Affairs - CIP	SCL250	41000	2012		(\$106,378)
31	Cut vacant position and reduce appropriation accordingly	Elctn-Con - FT	-1	-1	SCL	Customer Services and Energy Delivery - CIP	SCL350	41000	2011		(\$77,974)
32	Cut vacant position and reduce appropriation accordingly	Elctn-Con - FT	-1	-1	SCL	Customer Services and Energy Delivery - CIP	SCL350	41000	2012		(\$77,974)
33	Cut vacant position and reduce appropriation accordingly	Elecl Pwr Svsts Engr,Prin - FT	-1	-1	SCL	Customer Services and Energy Delivery - CIP	SCL350	41000	2011		(\$106,037)
34	Cut vacant position and reduce appropriation accordingly	Elecl Pwr Svsts Engr,Prin - FT	-1	-1	SCL	Customer Services and Energy Delivery - CIP	SCL350	41000	2012		(\$106,037)
35	Cut vacant position and reduce appropriation accordingly	Util Acts Supv - FT	-1	-1	SCL	Customer Services	SCL320	41000	2011		(\$61,397)
36	Cut vacant position and reduce appropriation accordingly	Util Acts Supv - FT	-1	-1	SCL	Customer Services	SCL320	41000	2012		(\$61,397)
37	Cut vacant position and reduce appropriation accordingly	Info Technol Prof A,Exempt - FT	-1	-1	SCL	Financial Services - O&M	SCL500	41000	2011		(\$115,358)
38	Cut vacant position and reduce appropriation accordingly	Info Technol Prof A,Exempt - FT	-1	-1	SCL	Financial Services - O&M	SCL500	41000	2012		(\$115,358)
39	Cut vacant position and reduce appropriation	Info Technol Prof B-BU - FT	-2	-2	SCL	Financial Services - O&M	SCL500	41000	2011		(\$201,770)
40	Cut vacant position and reduce appropriation	Info Technol Prof B-BU - FT	-2	-2	SCL	Financial Services - O&M	SCL500	41000	2012		(\$201,770)

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41	Cut vacant position and reduce appropriation	Executive2 - FT	-1	-1	SCL	Human Resources	SCL400	41000	2011		(\$138,329)
42	Cut vacant position and reduce appropriation	Executive2 - FT	-1	-1	SCL	Human Resources	SCL400	41000	2012		(\$138,329)
43	Cut vacant position and reduce appropriation	Prot&Cntrl Elctn II - FT	-1	-1	SCL	Power Supply O&M	SCL210	41000	2011		(\$92,006)
44	Cut vacant position and reduce appropriation	Prot&Cntrl Elctn II - FT	-1	-1	SCL	Power Supply O&M	SCL210	41000	2012		(\$92,006)
45	Cut vacant position and reduce appropriation	Prot&Cntrl Elctn II - FT	-1	-1	SCL	Distribution Services	SCL310	41000	2011		(\$92,006)
46	Cut vacant position and reduce appropriation	Prot&Cntrl Elctn II - FT	-1	-1	SCL	Distribution Services	SCL310	41000	2012		(\$92,006)
47	Cut vacant position and reduce appropriation	Pwrline Clear Coord - FT	-1	-1	SCL	Distribution Services	SCL310	41000	2011		(\$90,362)
48	Cut vacant position and reduce appropriation	Pwrline Clear Coord - FT	-1	-1	SCL	Distribution Services	SCL310	41000	2012		(\$90,362)
49	Cut vacant position and reduce appropriation	Line C CC - FT	-1	-1	SCL	Distribution Services	SCL310	41000	2011		(\$90,362)
50	Cut vacant position and reduce appropriation	Line C CC - FT	-1	-1	SCL	Distribution Services	SCL310	41000	2012		(\$90,362)
51	Cut vacant position and reduce appropriation	Line CC-Asg C Coord - FT	-2	-2	SCL	Distribution Services	SCL310	41000	2011		(\$180,724)
52	Cut vacant position and reduce appropriation	Line CC-Asg C Coord - FT	-2	-2	SCL	Distribution Services	SCL310	41000	2012		(\$180,724)
53	Cut vacant position and reduce appropriation	Cblspl CC-Non Net(Incum) - FT	-1	-1	SCL	Distribution Services	SCL310	41000	2011		(\$87,716)
54	Cut vacant position and reduce appropriation	Cblspl CC-Non Net(Incum) - FT	-1	-1	SCL	Distribution Services	SCL310	41000	2012		(\$87,716)
55	Cut vacant position and reduce appropriation	Elctn-Con-Wkg CC - FT	-1	-1	SCL	Distribution Services	SCL310	41000	2011		(\$87,716)
56	Cut vacant position and reduce appropriation	Elctn-Con-Wkg CC - FT	-1	-1	SCL	Distribution Services	SCL310	41000	2012		(\$87,716)

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#	Transaction Description	Position Title	Number of Positions	FTE	Dept	BCL or Revenue Source	Summit Code	Fund	Year	Revenue Amount	Expenditure Amount
57	Cut vacant position and reduce appropriation	Elctn-Con-Wkg CC - FT	-1	-1	SCL	Power Supply O&M	SCL210	41000	2011		(\$87,716)
58	Cut vacant position and reduce appropriation	Elctn-Con-Wkg CC - FT	-1	-1	SCL	Power Supply O&M	SCL210	41000	2012		(\$87,716)
59	Cut vacant position and reduce appropriation	Meter Elctn Working CC - FT	-1	-1	SCL	Customer Services	SCL320	41000	2011		(\$87,716)
60	Cut vacant position and reduce appropriation	Meter Elctn Working CC - FT	-1	-1	SCL	Customer Services	SCL320	41000	2012		(\$87,716)
61	Cut vacant position and reduce appropriation	Lnwkr-Asg Pwrline Clearance - FT	-1	-1	SCL	Distribution Services	SCL310	41000	2011		(\$86,193)
62	Cut vacant position and reduce appropriation	Lnwkr-Asg Pwrline Clearance - FT	-1	-1	SCL	Distribution Services	SCL310	41000	2012		(\$86,193)
63	Cut vacant position and reduce appropriation	Lnwkr - FT	-10	-10	SCL	Distribution Services	SCL310	41000	2011		(\$803,200)
64	Cut vacant position and reduce appropriation	Lnwkr - FT	-10	-10	SCL	Distribution Services	SCL310	41000	2012		(\$803,200)
65	Reduce appropriation for labor overhead related to cuts				SCL	General Expenses	SCL800	41000	2011		(\$986,951)
66	Reduce appropriation for labor overhead related to cuts				SCL	General Expenses	SCL800	41000	2012		(\$986,951)
67	Reduce wholesale revenue assumed to balance reduction in appropriations				SCL	Surplus Energy Sales	443345	41000	2011	(\$4,667,652)	
68	Reduce appropriation for inflation based on new forecast				SCL	General Expenses	SCL800	41000	2012		(\$2,000,000)

<i>Tab</i>	<i>Action</i>	<i>Option</i>	<i>Version</i>
17	1	A	1

#	Transaction Description	Position Title	Number of Positions	FTE	Dept	BCL or Revenue Source	Summit Code	Fund	Year	Revenue Amount	Expenditure Amount
69	Reduce labor cost appropriation to encourage efficiency				SCL	General Expenses	SCL800	41000	2012		(\$500,000)
70	Reduce retail revenue to balance reductions in appropriations				SCL	Energy Sales to Customers	443310	41000	2012	(\$7,167,652)	
71	Reduce tax payments to GSF				SCL	Taxes	SCL820	41000	2012		(\$430,000)
72	Increase fund balance for lower expenditures				SCL	Transfers from Construction Fund	379100	41000	2012	(\$430,000)	
73	Reduce GSF receipts from City Light				GSF	Utilities Business Tax - City Light (100%)	516410	00100	2012	(\$430,000)	
74	Reduce GSF appropriation for streetlights - lower rates				FG	Reserves	2QD00	00100	2012		(\$124,000)