

SUMMARY and FISCAL NOTE***Department:****Contact Person/Phone:****Executive Contact/Phone:**

City Budget Office

Thomas L. Taylor/233-5032

** Note that the Summary and Fiscal Note describes the version of the bill or resolution as introduced; final legislation including amendments may not be fully described.*

1. BILL SUMMARY

Legislation Title: AN ORDINANCE amending Ordinance 124648, which adopted the 2015 Budget; changing appropriations to various departments and from various funds in the Budget; revising project allocations for certain projects in the 2015-2020 Capital Improvement Program; creating new appropriations; and ratifying and confirming certain prior acts; all by a 3/4 vote of the City Council.

Summary and background of the Legislation: The proposed Bill includes discrete actions that amend the 2015 Adopted Budget by adding budget authority to a Seattle Public Utility and Department of Planning and Development budget control level to address late 2015 unanticipated charges which resulted in spending to exceed their BCL's 2015 budget authority. The proposed Bill also adjusts project allocations in Seattle City Light in order to meet compliance measures as set forth in section 4(c) of ordinance 124648, which adopted the 2015 Budget. This legislation will implement various adjustments to the 2015 Adopted Budget that are needed to complete the City's accounting process for the year.

2. CAPITAL IMPROVEMENT PROGRAM

 This legislation creates, funds, or amends a CIP Project.

3. SUMMARY OF FINANCIAL IMPLICATIONS

 X This legislation has direct financial implications.

Budget program(s) affected:				
Estimated \$ Appropriation change:	General Fund \$		Other \$	
	2015	2016	2015	2016
			\$680,456	
Estimated \$ Revenue change:	Revenue to General Fund		Revenue to Other Funds	
	2015	2016	2015	2016
Positions affected:	No. of Positions		Total FTE Change	
	2015	2016	2015	2016
Other departments affected:	DPD, SPU			

3.a. Appropriations

☒ This legislation adds, changes, or deletes appropriations.

Appropriations Notes: Please see Attachment A to this legislation

3.b. Revenues/Reimbursements

☐ This legislation adds, changes, or deletes revenues or reimbursements.

3.c. Positions

☐ This legislation adds, changes, or deletes positions.

4. OTHER IMPLICATIONS

- a) **Does the legislation have indirect or long-term financial impacts to the City of Seattle that are not reflected in the above?**

The 2015 Budget would be out of compliance with the statute that requires expenditures not to exceed appropriations.

- b) **Is there financial cost or other impacts of not implementing the legislation?**

The same objectives could not be achieved without this legislation.

- c) **Does this legislation affect any departments besides the originating department?**

This legislation will be implemented by the Accounting Services Unit of the Department of Finance and Administrative Services. They have reviewed and agree with the legislation.

- d) **Is a public hearing required for this legislation?**

No.

- e) **Does this legislation require landlords or sellers of real property to provide information regarding the property to a buyer or tenant?**

No.

- f) **Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?**

No.

- g) **Does this legislation affect a piece of property?**

No.

- h) **Please describe any perceived implication for the principles of the Race and Social Justice Initiative. Does this legislation impact vulnerable or historically disadvantaged communities?**

No new issues related to RSJI are associated with this legislation.

- i) **If this legislation includes a new initiative or a major programmatic expansion:**
What are the long-term and measurable goals of the program? Please describe how this legislation would help achieve the program's desired goals.

N/A

- j) **Other Issues:** None

List attachments/exhibits below:

Attachment A – 2015 Exceptions Ordinance Summary Detail Table

2015 Exceptions Ordinance Summary Detail Table

Item	Title/Description	Amount/FTE
	<i>Section 1 – Adding a New BCL</i>	
1.1	To create a new BCL U2500 Department Leadership (Department of Planning and Development, Planning and Development Fund (15700))	
	This item creates a new Budget Control Level (BCL) in the Department of Planning and Development (DPD). This BCL is used to disburse costs from a central location to other DPD BCL's. This BCL normally doesn't carry its own budget authority as all costs are allocated out within the department, however a late invoice resulted in the costs remaining in this BCL at year-end thus creating the budget exception and the need to establish this BCL in Attachment A.	
	<i>Section 2 – Appropriation Increases</i>	
2.1	Interfund Billing (Department of Planning and Development, Planning and Development Fund (15700))	\$97,423
	This item provides a retroactive appropriation increase to the Department Leadership (U2500) BCL in the Seattle Department of Construction and Inspections (SDCI) to pay costs related to a late bill received from another City department. SDCI anticipated paying these costs in 2015, but received a late bill in February 2016 from DoIT for Oracle license expenses that were budgeted in 2015. For accounting reasons, the bill must be recorded in 2015 and not 2016; however, at this point in the year-end process, SDCI had already allocated out the overhead expenses contained in their Department Leadership BCL. This bill left SDCI with a budget exception in the Department Leadership BCL. Seattle IT will work with and notify SDCI earlier in the year-end process in the future to ensure that all interfund bills are logged prior to the year-end process is completed in 2016.	
2.2	Water Infrastructure - New Taps (Seattle Public Utilities, Water Fund (43000))	\$583,033
	This item provides a retroactive appropriation transfer in the amount of \$583,040 from the Distribution System Improvements Project (C1128) to the Water Infrastructure-New Taps project (C1113) in the Distribution BCL (C110B) for Seattle Public Utilities to pay for an unanticipated increase in taps projects in the 4th quarter of 2015. SPU completed 143 more Taps than in the previous year with 30 percent of the taps completed in last quarter of the year. New Taps are driven by demand in the development community. These additional expenses were offset by new tap revenue. The BCL was within appropriation due to underspending in other areas.	
	<i>Section 3 – Appropriation Increase to comply with section 4c of the 2015 Adopted Budget Ordinance</i>	
3.1	Project Allocation Transfer within the Transmission and Distribution - CIP BCL (Seattle City Light / City Light Fund (41000))	\$0
	This item transfers \$200,000 of project allocations between the Network Maintenance Hole and Vault Rebuild project and the Underground 26K V Conversion project within the Transmission and Distribution – CIP BCL. The Network Maintenance Hole and Vault Rebuild project is over budget because of unplanned and unbudgeted mandated transportation work on the Yesler Bridge replacement. This work emerged in the fourth quarter of 2015. SCL is required to respond quickly to accommodate SDOT' schedules. Funds are available because of resource constraints. Planned work had to be deferred because of insufficient crew availability. The crews were deployed to do customer service work because of increased demand for customer services.	