

SUMMARY and FISCAL NOTE*

Department:	Dept. Contact/Phone:	CBO Contact/Phone:
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** 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 126490, which adopted the 2022 Budget, including the 2022-2027 Capital Improvement Program (CIP); changing appropriations to various departments and budget control levels, and from various funds in the Budget; and ratifying and confirming certain prior acts; all by a 3/4 vote of the City Council.

Summary and background of the Legislation: This legislation will implement various adjustments to the 2022 Adopted Budget that are needed to complete the City's accounting process for the year.

The proposed legislation includes discrete actions that amend the 2022 Adopted Budget by adding budget authority to various departments to address unanticipated expenses and correct accounting errors which resulted in spending exceeding a budget control level's budget authority.

2. CAPITAL IMPROVEMENT PROGRAM

Does this legislation create, fund, or amend a CIP Project? ☒ Yes ☐ No

3. SUMMARY OF FINANCIAL IMPLICATIONS

Does this legislation amend the Adopted Budget? ☒ Yes ☐ No

	General Fund \$		Other \$	
	2022	2023	2022	2023
Appropriation change (\$):	\$2,460,943	\$0	\$2,418,988	\$0
	Revenue to General Fund		Revenue to Other Funds	
	2022	2023	2022	2023
Estimated revenue change (\$):	\$0	\$0	\$0	\$0
	No. of Positions		Total FTE Change	
	2022	2023	2022	2023
Positions affected:	0	0	0	0

Does the legislation have other financial impacts to the City of Seattle that are not reflected in the above, including direct or indirect, short-term or long-term costs?
No. Please see Summary Attachment A for details on 2022 spending.

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

The same objectives could not be achieved without this legislation.

3.a. Appropriations

X This legislation adds, changes, or deletes appropriations.

See Summary Attachment A for details on 2022 spending.

Is this change one-time or ongoing?

All are one-time.

4. OTHER IMPLICATIONS

a. Does this legislation affect any departments besides the originating department?

No.

b. Is a public hearing required for this legislation?

No.

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

No.

d. Does this legislation affect a piece of property?

No.

e. Please describe any perceived implication for the principles of the Race and Social Justice Initiative. Does this legislation impact vulnerable or historically disadvantaged communities? What is the Language Access plan for any communications to the public?

See Summary Attachment A for any RSJI implications.

f. Climate Change Implications

Emissions: Is this legislation likely to increase or decrease carbon emissions in a material way?

No.

Resiliency: Will the action(s) proposed by this legislation increase or decrease Seattle's resiliency (or ability to adapt) to climate change in a material way? If so, explain. If it is likely to decrease resiliency in a material way, describe what will or could be done to mitigate the effects.

No.

- g. If this legislation includes a new initiative or a major programmatic expansion: What are the specific long-term and measurable goal(s) of the program? How will this legislation help achieve the program's desired goal(s)?**

N/A

Summary Attachments:

Summary Att A – 2022 Budget Exceptions Ordinance Summary Detail Table

2022 Budget Exceptions Ordinance Summary Detail Table

Item #	Title	Description	Amount/FTE
Section 1 – Appropriation Increases			
1.1	2022 Mobility Operations - GF Budget Exception Clearing (Seattle Department of Transportation)	This item provides retroactive appropriation increase of \$867,937 for the Seattle Department of Transportation to pay for transaction costs related to parking meters and the pay-by-phone function for on-street parking in the General Fund - Mobility Operations (00100-BO-TR-17003) Budget Control Level. The overspend is related to the transaction costs paid to process payments. These transaction costs are driven by a combination of the on-street parking rates and the frequency of vehicles parking on-street, which exceeded budgeted expectations in the 2022 Adopted Budget.	\$867,937
1.2	2022 Parking Enforcement Budget Exception Clearing (Seattle Department of Transportation)	This item provides retroactive appropriation increase of \$1,548,166 for the Seattle Department of Transportation in the General Fund Parking Enforcement (00100-BO-TR-17006) Budget Control Level. The overspending is related to the costs of the Parking Enforcement Division at SDOT. This item was driven not only by higher than budgeted labor costs but also by unanticipated costs for PEO support at City events.	\$1,548,166
1.3	2022 Mobility Operations - MSL Budget Exception Clearing (Seattle Department of Transportation)	This item provides retroactive appropriation increase of \$354,571 for the Seattle Department of Transportation to pay for the costs or safety-related work on signs and signal maintenance in the Move Seattle Levy Mobility Operations (10398-BO-TR-17003) Budget Control Level. The overspend is related to necessary work to support damaged signs or signals in order to keep the right-of-way safe and functional. SDOT was able to use administrative solutions to avoid a budget exception on the General Fund for this same work. However, timing and technical issues did not allow for SDOT to avoid this budget exception for the Move Seattle Levy Fund.	\$354,571

Item #	Title	Description	Amount/FTE
1.4	Fleet Services Budget Exception (Department of Finance and Administrative Services)	This item provides a retroactive appropriation increase of \$1,730,656 for the Department of Facilities and Administrative Services to pay unanticipated costs in the FAS Fleet Services BCL (50300-BC-FA-FLEETS) due to fuel price increases and increased vendor costs. Expenditures exceeded budget largely due to a spike in fuel prices after the start of the year resulting in expenditures far exceeding initial projections in the FAS submitted Q3 Supplemental request. Additional costs occurred due to the need to use outside vendors to support increased need for fleet maintenance. The fleet group is working to hire staff and train in the maintenance area which will reduce the need to use external vendors in the future.	\$1,730,656
1.5	2022 Exception (Ethics and Elections Commission)	This item provides a retroactive appropriation increase of \$44,840 for the Seattle Ethics and Elections Commission (SEEC) to pay unanticipated costs in the BO-ET-V1T00 - Ethics and Elections BSL due to central rate charges in benefit, retirement and FICA accounts that were higher than the initial, budgeted amounts. The SEEC budget is nearly 100% labor and central rates costs and with no vacancies in 2022, there was no underspend to absorb these higher-than-budgeted benefit charges. The FTE count for health care charges was adjusted for 2023 and 2024 and the budget and central rate charges are now aligned.	\$44,840
Section 2 – Appropriation Increase – Capital Budgets			
2.1	2022 Mobility-Capital Budget Exception Clearing (Seattle Department of Transportation)	This item provides a retroactive appropriation increase of \$12,292 for the Seattle Department of Transportation to pay unanticipated costs in the Unrestricted Cumulative Reserve Fund - Mobility Capital (00164-BC-TR-19003) Budget Control Level. This budget exception was caused by a technical issue related to automatic budget carryforward authorized by State law. SDOT will resolve these issues in 2023.	\$12,292

Item #	Title	Description	Amount/FTE
2.2	FAS Project Delivery Services Budget Exception (Department of Finance and Administrative Services)	<p>This item provides a retroactive appropriation increase of \$321,469 amount for the Department of Facilities and Administrative Services to pay unanticipated costs in the FAS Project Delivery Services BCL (50300-BC-FA-FASPDs) due to unexpected late-year tenant improvement work requested by City departments.</p> <ul style="list-style-type: none"> • The over-expenditure occurred because tenant improvement requests made at year-end by client departments and FAS Facility Ops were higher than expected. While these expenses were backed by revenue and reimbursed, most of the requests were made after the Q3 Supplemental deadline. • The balance of the appropriating fund was minimally impacted by the over-expenditure; all but \$13K of the expenses were billed and reimbursed in 2022. • FAS plans to 1. implement a process to monitor fund balance more frequently and 2. engage with our clients during the budget process as well as mid-year to determine whether existing appropriation is sufficient to cover estimated spend plans. 	\$321,469