

# Reorganization Overview: City Budget Office & Department of Finance and Administrative Services

Presented to the Seattle City Council  
Finance and Budget Committee  
May 18, 2010

# Objective of the Re-Organization

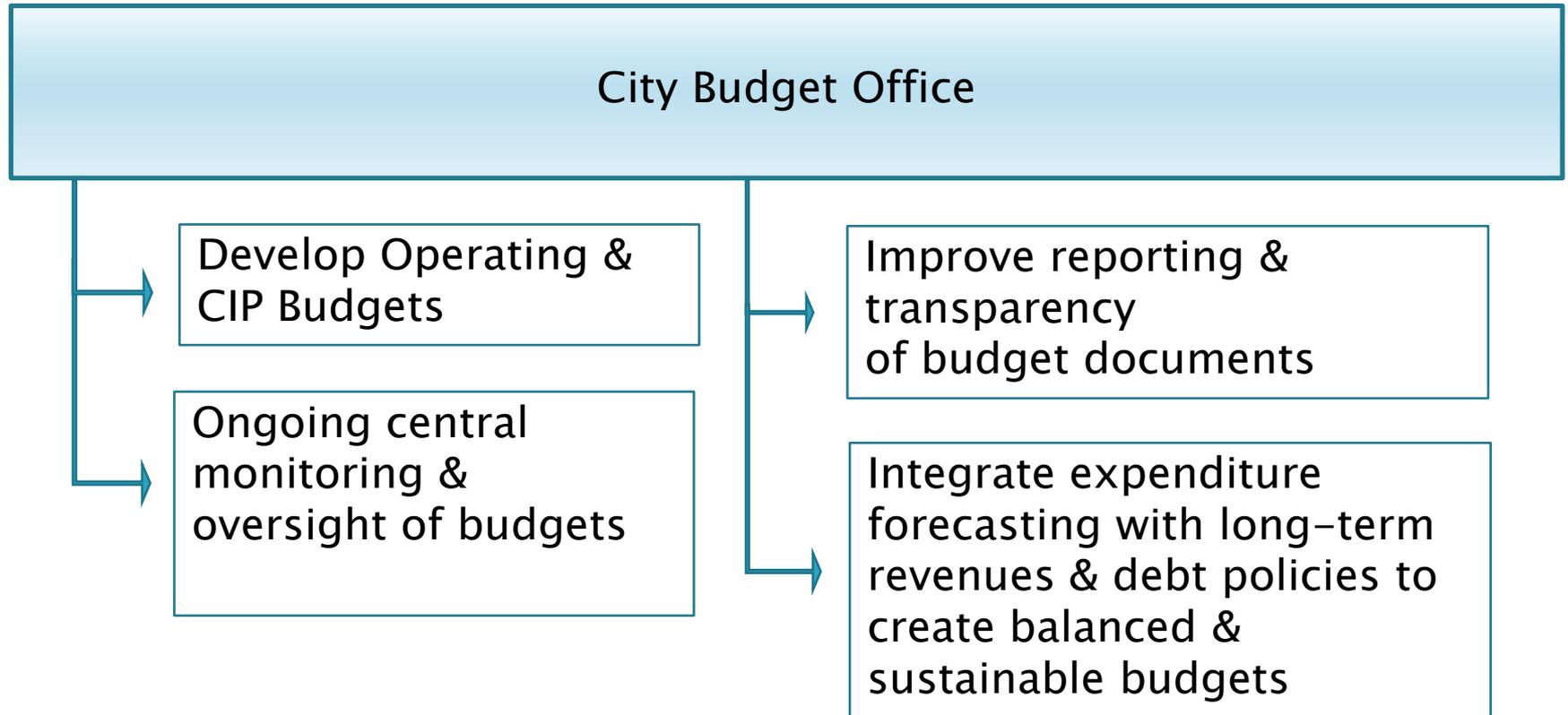
- ▶ To create improved management and oversight of finance and budget functions:
  - City Budget Office: Responsibility for developing and enforcing the City's budget and developing revenue and debt strategies to support the budget in a more centralized manner, with an increased emphasis on long-term financial planning.
  - Department of Finance & Administrative Services: Responsibility for enhancing and integrating the City's financial and accounting procedures and systems, as well as tax administration and business regulation. Also responsible for revenue forecasting and consolidated administrative functions.

# Re-Org Overview

- ▶ Department of Finance is eliminated and the City Budget Office (CBO) is created:
  - Will provide more centralized and focused budget planning and oversight, with an emphasis on long-term financial planning
    - Development of operating and Capital Improvement Project budgets
    - Integration of long-term debt and revenue strategies into budget planning
    - Centralized oversight and monitoring of budget positions

# Re-Org Overview (continued)

- ▶ Create - 2 separate entities

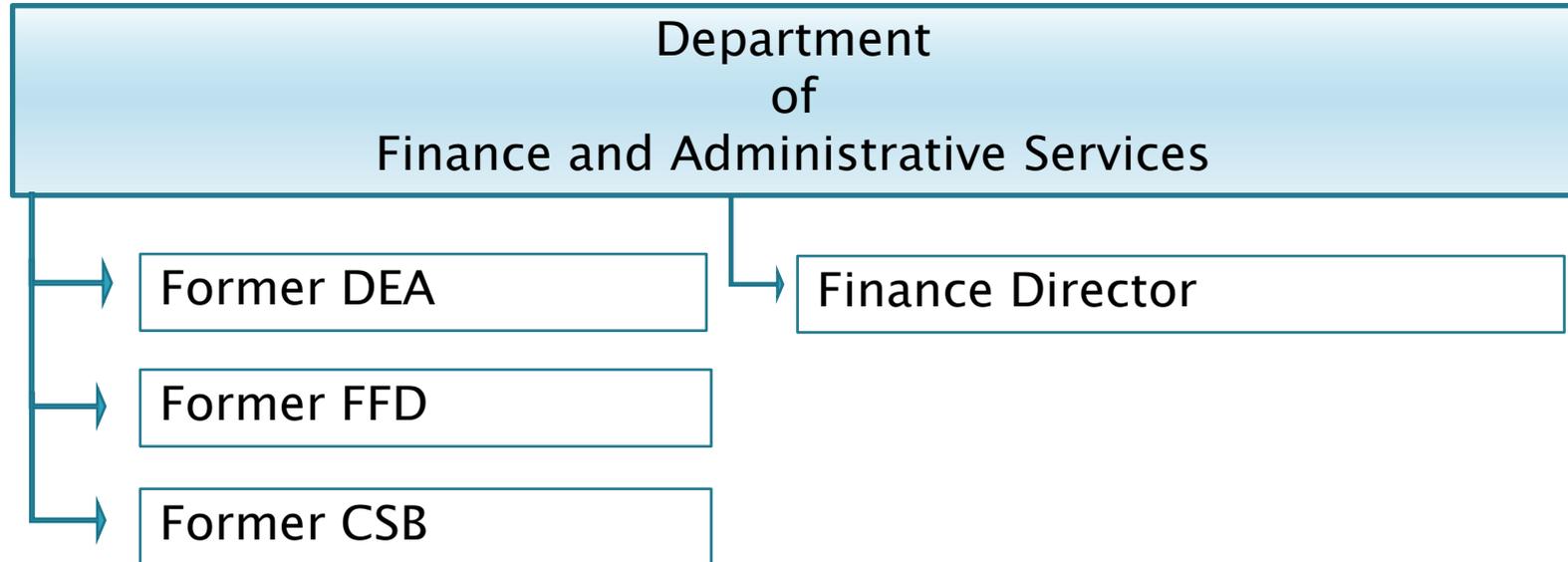


# Re-Org Overview (continued)

- ▶ Department of Finance and Administrative Services (FAS) created by merging:
  - Department of Executive Administration,
  - Fleets and Facilities Department,
  - Department of Neighborhood's Customer Service Bureau, and
  - Small portion of former Department of Finance, including revenue forecasting, debt management, and investment and tax policy.
    - Finance Director position, required by City Charter, transfers to FAS.

# Re-Org Overview (continued)

- ▶ Create - 2 separate entities (continued)



# FAS Re-Org Objectives

- ▶ **Integrate financial policies with financial management**
  - Revenue forecasting and
    - *Tax collections*
    - *Treasury*
    - *Will allow for a baseline by which to measure licensing compliance and collection effectiveness*
  - Investments and debt management
    - *Manage liquidity*
    - *More intensively manage yield from cash pool*
  - Accounting policy
    - *Better decision making*
    - *Better compliance*

# FAS Re-Org Objectives (continued)

- ▶ **Align internal services with operating divisions**
  - Contracting and Capital Programs
- ▶ **Create efficiencies**
  - Unified
    - *Human resources*
    - *Internal budgeting*
    - *Accounting*
    - *Information technology*
    - *Public disclosure*
    - *Directors office*

# FAS Lines of Business

## ▶ Financial Management

- Treasury
- Revenue
- Central accounting
- Payroll
- Revenue forecasting
- Investments
- Debt management

# FAS Lines of Business (continued)

## ▶ Internal services

- Business technology
- Procurement
  - *Purchasing of goods and routine services*
  - *Public works contracting*
- Facilities
- Fleets

# FAS Lines of Business (continued)

- ▶ **Regulatory and public safety**
  - Consumer protection
    - *Taxis*
    - *Weights and measures*
  - Nightlife noise
  - Animal control
- ▶ **Constituent Services**
  - CSB has relied on DEA for years
  - Need technology and analytical support

# FAS Re-Org Structure & Details

- ▶ **Department head, two deputies will manage City of Seattle's most functionally diverse department as a team.**
- ▶ **Day-to-day functional oversight divided among team:**
  - **Acting Director Fred Podesta**
    - constituent services,
    - business regulation/consumer protection
    - business technology,
    - budget and central services,
    - facility operations,
    - purchasing services, and
    - department administration.

# FAS Re-Org Structure & Details

(continued)

- ▶ **Day-to-day functional oversight divided among team:**
  - Deputy Director and Acting Finance Director Glen Lee
    - tax administration,
    - debt management,
    - risk management,
    - treasury services,
    - accounting services,
    - American Recovery and Reinvestment Act,
    - economic forecasting, and
    - program technology.

# FAS Re-Org Structure & Details

(continued)

- ▶ **Day-to-day functional oversight divided among team:**

- Deputy Director Mary Pearson
  - contracting services,
  - Seattle Animal Shelter,
  - fleet services, and
  - capital development/construction management.

# 2010 Budget Impacts

- ▶ Re-org achieved without having to create new budget or position authority
- ▶ Re-org allows cuts mid-year 2010; details will be announced in June