



Department of Finance and Administrative Services

2013-2014 Proposed Budget Overview

BASIC MISSION

- ▶ What is the primary mission of your agency?
 - ▶ We do the work that keeps municipal government operating effectively.
 - ▶ We provide the tools and services that allow City departments to deliver their services to the public.
 - ▶ Why does any of this matter to the people of Seattle?
 - ▶ We are the stewards of public funds, supporting good fiscal management.
 - ▶ Our regulatory programs protect consumers and keep the public safe.
 - ▶ We make it possible for all other City departments, including police, fire, and the utilities, to provide services to the public.
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KEY OUTCOMES AND REMAINING CHALLENGES

- ▶ How will you know whether you have accomplished your mission or not?
 - ▶ Performance management
 - ▶ Customer feedback

 - ▶ What results or outcomes do you measure?
 - ▶ FAS measures many key goals in our lines of business. Some of the outcomes we track include:
 - ▶ Ensuring large City assets, such as vehicles, fire stations and information technology systems, are properly maintained
 - ▶ Effectively managing major City capital projects – staying within scope, schedule and budget

 - ▶ In what areas are you furthest from your desired outcomes and what barriers do you face to closing this gap?
 - ▶ Performance-based strategic planning for regulatory programs
 - ▶ Resources in taxicab and revenue inspection programs
 - ▶ Providing current and new City facilities that are accessible to everyone
 - ▶ Maintaining uniformity across departments within City's financial management system
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ALIGNING MISSION AND BUDGET

- ▶ How do your budget changes address the barriers you face in fulfilling your outcomes, and/or mission?
 - ▶ Add tools to align and improve Citywide fiscal management
 - ▶ Improve facilities for those with disabilities
 - ▶ Effectively protect the experience of taxicab and for-hire vehicle customers by adding inspectors
 - ▶ Ensure businesses are operating in a way that is fair to the public by adding revenue inspectors
 - ▶ How do your proposed budget changes align with your Department's mission?
 - ▶ Enhance consumer protection
 - ▶ Provide tools for the stewardship of public funds
 - ▶ Support the work of other departments by funding customer-focused facility improvements
 - ▶ Provide equity in City purchasing and contracting
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TABLE 1 - INCREMENTAL BUDGET CHANGES FOR THE 2013-2014 BIENNIUM

Department of Finance and Administrative Services

	2013		2014		GF?	DESCRIPTION	BIP #
	FUNDING AMOUNT	FTE	FUNDING AMOUNT	FTE			
2012 ADOPTED BUDGET	\$ 153,503,883	521.75	\$ 153,503,883	521.75			
One-Time Funding Reductions	\$ (2,692,800)		\$ (2,754,732)		Partial	This reduces budget for one-time items that were only funded for one year in 2012.	910
Budget Neutral Transfers					Partial	These budget neutral baseline transfers align the existing budget with program where the expenditures are occurring.	910
Increase for Utility Rates and CPI Increases	\$ 111,350		\$ 117,100		Partial	This baseline adjustment aligns the budget with increases in costs in utility rates and Consumer Price Index increases.	910
Software Licensing Increases	\$ 635,000		\$ 652,555		Partial	This baseline budget change covers increased software application licensing costs for the Constituent Relationship Management and Summit systems.	910
Alignment of Budget with Actual Costs	\$ 681,248		\$ 152,812		Partial	These baseline changes align the budget with actual costs for fuel budget, staffing, and postage.	910
Citywide Adjustments for Standard Cost Changes	\$ 3,384,666		\$ 6,597,420		Partial	Citywide technical adjustments made in the "Baseline Phase" reflect changes due to inflation, central cost allocations, retirement, health care, workers' compensation, and employment costs.	900
BASELINE BUDGET	\$ 155,623,347	521.75	\$ 158,269,038	521.75			
PROPOSED CHANGES							
<u>Proposed Policy Changes</u>							
Reductions in Facility Services and Maintenance	\$ (124,000)		\$ (124,500)		Partial	This item reduces the frequency of preventative maintenance, reduces costs heating and cooling City buildings and reduces landscape maintenance.	122,126,129
Implement Paperless Tax Reporting	\$ (100,000)		\$ (102,300)		Yes	This proposal will implement mandatory electronic tax filing for all City of Seattle business license customers.	107
Business Technology Reductions	\$ (98,100)	(0.5)	\$ (100,300)	(0.5)	Partial	This proposal reduces staffing, decreases spending on outside vendors and payroll processing in the Business Technology division.	119,120
Outsource Fleet Parts Warehousing Services and Fleet Reductions			\$ (311,700)	(11.0)	Partial	This item proposes to contract out the vehicle maintenance parts supply services to an outside vendor starting in 2014 and sell existing inventory. Additionally, reduce the FAS fleet and transfer 198 Seattle-King County Public Health vehicles to King County.	123,128,303

	2013		2014		GF?	DESCRIPTION	BIP #
	FUNDING AMOUNT	FTE	FUNDING AMOUNT	FTE			
Changes in Contracting Services					Partial	This budget neutral item shifts funding for the Prevailing Wage Monitoring Analyst and adjusts the FAS revenues to recognize rebate revenues.	164,109
License and Standards Inspector Change					N/A	This budget neutral item shifts staffing and brings the current workload into alignment.	073
Animal Shelter Fee Increases and Changes	\$ 73,700	1.0	\$ 71,200	1.0	Partial	This item proposes a number of changes to the Seattle Animal Shelter including increasing efforts to license pets and new fees to better meet the needs of the public.	114,115,1 17,118,30 2,116
Software Upgrades	\$ 96,000		\$ 6,000		No	This item will upgrade a software interface for fleet management.	113
SMT Utilization Study	\$ 125,000				Partial	FAS will prepare a comprehensive study of the City owned Seattle Municipal Tower space to determine the best use of space in the building.	167
Increase SMT and SeaPark Parking Garage Rates	\$ 135,000	1.0	\$ 139,000	1.0	Partial	This proposal increases parking rates at the SeaPark and SMT garages and adds a position for management of the Pacific Place Garage.	106,159,1 08
Implement Upgrade of Financial Management System and New Tax Portal	\$ 136,408		\$ 1,486,898		Partial	This proposal implements a full upgrade of the City's Oracle/PeopleSoft Financial Management System (Summit) and implements an online business and occupation license and tax filing portal.	155,158,1 56
Internal Auditing Changes	\$ 280,800	2.0	\$ 238,600	2.0	Partial	This item adds staffing to review and manage FAS' and Citywide internal controls, policies and procedures related to the oversight of the City's finances.	102,103
Data Center Infrastructure Study	\$ 300,000				Partial	This item provides funding for the FAS infrastructure study related to the planning and designing alternatives for a new data center.	168
Staffing Changes in Treasury Services	\$ 320,000	3.0	\$ 318,500	3.0	Partial	This item adds staffing for utility payment processing and support for the Alaskan Way Viaduct Seawall Replacement Project Local Improvement District work.	112,165
Add Staffing for Community Workforce Agreements	\$ 338,000	2.0	\$ 345,000	2.0	Partial	This proposal adds staffing to develop, implement and enforce programs that provide social equity in construction contractor workforce hiring. They will also manage any project labor agreements executed by the City for public works capital improvement projects.	163

	2013		2014		GF?	DESCRIPTION	BIP #
	FUNDING AMOUNT	FTE	FUNDING AMOUNT	FTE			
ADA Inspector Changes	\$ 539,000	4.0	\$ 553,000	4.0	Partial	This proposal adds staffing to create a centralized Americans with Disabilities Act (ADA) Compliance unit to ensure that City capital projects comply with the current ADA standards and shifts funding for an existing position to capital projects.	105,160
Add Regulatory and Enforcement Staffing	\$ 913,000	7.0	\$ 943,400	7.0	Partial	This proposal adds staffing for the Limousine, Taxicab and For-Hire Vehicle Regulatory program and funding to regulate the towing industry. Staffing is also added to the Regulatory Enforcement Unit to collect business license fees and taxes and generate \$958,000 of additional General Subfund revenues. Support staff is also provided to the City's new Energy Benchmarking Program run by the Office of Sustainability and Environment.	100,101,161,162,166
<u>Proposed Technical Changes</u>							
Technical Adjustments	\$ (1,006,974)	0.5	\$ (413,030)	0.5	Partial	These adjustments include bringing the fuel budget in line with the rate allocation, adjusting a one-time add from 2012 for ADA Training, increasing a position to full-time to reflect actual workload and reductions in the debt service amounts due to lower rates.	070,071,072,300,900
Final Citywide Adjustments for Standard Cost Changes	\$ 645,759		\$ 451,681		Partial	Citywide technical adjustments made in the "Proposed Phase" reflect changes due to inflation, central cost allocations, retirement, health care, workers' compensation, and unemployment costs.	900
TOTAL PROPOSED CHANGES	\$ 2,573,593	20.0	\$ 3,501,449	9.0			
FINAL PROPOSED BUDGET	\$ 158,196,940	541.75	\$ 161,770,487	530.75			
FUND BALANCE (For Operating Fund Departments):							
PROJECTED BEGINNING FUND	\$13,153,682		\$9,502,478				
PROJECTED YEAR-END FUND	\$9,502,478		\$5,921,674				

TABLE 2 - CAPITAL IMPROVEMENT PROGRAM (CIP) CHANGES

FINANCE & ADMINISTRATIVE SERVICES	2013-2018 PROPOSED CIP
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PROJECT TITLE	2013 APPROPRIATIONS (In 1000)	2014 APPROPRIATIONS (In 1000)	TOTAL PROJECT COST (In 1000)	FUNDING SOURCES	DESCRIPTION/EXPLANATION
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NEW PROJECTS

1) Harbor Patrol Bulkhead	\$0	\$100	\$720	REET 1	This project funds the replacement of the bulkhead that serves the SPD Harbor Patrol facility.
2) Multi-City Portal Project	\$6,632	\$1,000	\$7,632	LTGO Bonds	This project implements a multi-city business and occupation (B&O) license and tax filing portal to allow all businesses operating in multiple cities to register for a business license, file business taxes, and make tax payments for multiple cities in one online location.

PROJECT TITLE	2013 APPROPRIATIONS (In 1000)	2014 APPROPRIATIONS (In 1000)	TOTAL PROJECT COST (In 1000)	FUNDING SOURCES	DESCRIPTION/EXPLANATION
3) SUMMIT Upgrade	\$5,886	\$7,038	\$19,142	LTGO Bonds	Summit is the City's financial system, used to manage Citywide general ledger, accounts payable, purchasing, asset management, labor distribution, accounts receivable, billing, project costing, and budgeting. Vendor support for the current version expired on December 31, 2011. Upgrading to the most current version offered by the vendor ensures vendor support through 2021.
4) E. Precinct Parking	\$0	\$265	\$265	REET 1	This project provides for the installation of data/infrastructure improvements for police communications and security equipment at the East Precinct. This project supports uninterrupted police radio and cell phone coverage and enhanced garage security.

PROJECT TITLE	2013 APPROPRIATIONS (In 1000)	2014 APPROPRIATIONS (In 1000)	TOTAL PROJECT COST (In 1000)	FUNDING SOURCES	DESCRIPTION/EXPLANATION
6) N. Precinct	\$750	\$17,500	\$88,539	LTGO Bonds	This project funds the construction of a new North Precinct facility from which the Seattle Police Department will serve the north end of the city. Work includes but is not limited to, locating an appropriate site, operational programming, building and site design, and construction.
7) MOB Repairs	\$312	\$0	\$312	REET 1	This project provides critical, non-roof repairs at five of the City's Mutual and Offsetting Benefit (MOB) buildings. Work includes but is not limited to HVAC replacement and upgrades, electrical system replacement and upgrades, and plumbing replacement and upgrades.

PROJECT TITLE	2013 APPROPRIATIONS (In 1000)	2014 APPROPRIATIONS (In 1000)	TOTAL PROJECT COST (In 1000)	FUNDING SOURCES	DESCRIPTION/EXPLANATION
8) Harbor Patrol HVAC	\$420	\$0	\$420	REET 1	This project funds the replacement of Heating, Ventilation, and Air Conditioning (HVAC) at the SPD Harbor Patrol Facility. Work includes but is not limited to, new HVAC equipment, new and relocated ductwork, and enhanced control components suitable for the marine environment.
9) Charles Street Material Test Lab Roof	\$320	\$0	\$320	REET 1	This project funds the replacement of the roof at the Charles Street Material test lab Bldg. Work includes demolition, structural repair, and installation of a new roof that will meet energy code requirements.
10) Charles Street 714 Bldg Pipe Replacement	\$350	\$0	\$350	REET 1	This project funds the replacement of the domestic water piping infrastructure at the Charles Street 714 Bldg. Work includes but is not limited to, replacing old galvanized piping with copper pipe, and installation of isolation valves for ease of maintenance.

PROJECT TITLE	2013 APPROPRIATIONS (In 1000)	2014 APPROPRIATIONS (In 1000)	TOTAL PROJECT COST (In 1000)	FUNDING SOURCES	DESCRIPTION/EXPLANATION
11) AWC A Building Envelope Replacement	\$700	\$2,552	\$3,752	REET 1 & \$500k State of Washington grant	This project funds the replacement of the exterior envelope of the AWC Building A. Work includes but is not limited to removal and replacement of exterior cladding and windows, and installation of new insulation. The City will receive \$500k from the State of Washington Department of Commerce as part of it's "2012 Energy Efficiency Grants for higher Education and Local Governments" grant program.

PROJECTS CANCELLED OR DEFERRED

1 None at this time

PROJECT TITLE	2013 APPROPRIATIONS (In 1000)	2014 APPROPRIATIONS (In 1000)	TOTAL PROJECT COST (In 1000)	FUNDING SOURCES	DESCRIPTION/EXPLANATION
FUNDING/SCOPE CHANGES FOR EXISTING PROJECTS					
1) Fire Levy Program	\$1,248 \$677 \$12,726	\$0 \$0 \$8,650	\$307,084	F34440 REET 1 LTGO Bonds	In the past, the City made appropriations for individual projects up-front and resulting expenditures would span several years after the budget authority was approved. Starting in 2012, the CIP budget appropriations for projects equal the anticipated expenditures for that year. This enables the City to strategically structure its approach to financing, thereby reducing transaction costs, minimizing interest paid, and increasing flexibility with existing resources.

PROJECT TITLE	2013 APPROPRIATIONS (In 1000)	2014 APPROPRIATIONS (In 1000)	TOTAL PROJECT COST (In 1000)	FUNDING SOURCES	DESCRIPTION/EXPLANATION
2) ADA Improvements - FAS	\$626	\$0	\$1,075	REET 1	This project is the FAS ADA ongoing program that will address specific ADA improvements and upgrades at various FAS owned and operational facilities. Work will include, but is not limited to, reconfiguration of restrooms, meeting rooms and other spaces, reconfiguration of facility amenities such as drinking fountains, and various public access routes to sites, buildings, and public spaces.
3) ADA Improvements - Citywide	\$136	\$141	\$370	REET 1	This project is the appropriation repository for work related to City compliance with the ADA. This project encompasses various centralized ADA program costs, including a database for project tracking, quality assurance and compliance documentation. The 2013-14 appropriations include only staff costs.

TABLE 3 - BUDGET OVERVIEW

FAS EXPENDITURES OVERVIEW (2013-2014 PROPOSED)					
BUDGET CONTROL LEVELS	2012 ADOPTED	2013 PROPOSED	% CHANGE '12-'13	2014 PROPOSED	% CHANGE '13-'14
Budget and Central Services	\$ 3,931,000	\$ 4,436,000	12.8%	\$ 4,525,000	2.0%
Business Technology	\$ 10,270,000	\$ 11,214,000	9.2%	\$ 12,856,000	14.6%
City Purchasing and Contracting Services	\$ 3,005,000	\$ 4,033,000	34.2%	\$ 4,159,000	3.1%
Facility Services	\$ 65,819,000	\$ 64,720,000	-1.7%	\$ 65,253,000	0.8%
Financial Services	\$ 13,239,000	\$ 13,832,000	4.5%	\$ 14,238,000	2.9%
Fleet Services	\$ 45,705,000	\$ 47,307,000	3.5%	\$ 47,658,000	0.7%
Judgment and Claims	\$ 362,000	\$ 191,000	-47.2%	\$ 223,000	16.8%
Office of Constituent Services	\$ 2,842,000	\$ 2,756,000	-3.0%	\$ 2,854,000	3.6%
Revenue and Consumer Protection	\$ 2,348,000	\$ 3,377,000	43.8%	\$ 3,492,000	3.4%
Seattle Animal Shelter	\$ 3,038,000	\$ 3,256,000	7.2%	\$ 3,349,000	2.9%
Technical Services	\$ 2,945,000	\$ 3,075,000	4.4%	\$ 3,162,000	2.8%
Total FAS Expenditures	\$153,504,000	\$ 158,197,000	3.1%	\$ 161,770,000	2.3%
Total FTEs	521.75	541.75	3.8%	530.75	-2.0%
Revenues FAS					
General Subfund Support	\$21,332,000	\$21,543,000	1.0%	\$22,804,000	5.9%
Miscellaneous Revenues	\$9,618,000	\$9,794,000	1.8%	\$9,901,000	1.1%
Services to City Depts	\$117,321,000	\$123,208,000	5.0%	\$125,484,000	1.8%
Total FAS Revenues	\$148,271,000	\$154,545,000	4.2%	\$158,189,000	2.4%

All dollar numbers rounded to the nearest \$1,000
 Percentages rounded to the nearest tenth percent