

City Budget Office

Julie Dingley, Director

(206) 615-1962

<http://www.seattle.gov/budgetoffice/>

Department Overview

The City Budget Office (CBO) is responsible for developing and monitoring the City's annual budget, carrying out budget-related functions, overseeing fiscal policy and financial planning activities, policy analysis, and preparing legislation for City Council review. CBO provides strategic analysis relating to the use of revenues, debt, long-term issues, and special events. The office also provides technical assistance, training, and support to City departments in performing financial functions. The Innovation and Performance team is also in CBO, supporting and advancing initiatives by using data and design to solve problems.

Budget Snapshot

	2021 Actuals	2022 Adopted	2023 Adopted	2024 Endorsed
Department Support				
General Fund Support	7,302,904	7,612,906	8,215,845	8,711,842
Other Funding - Operating	124,330	3,823,019	-	175,212
Total Operations	7,427,233	11,435,925	8,215,845	8,887,054
Total Appropriations	7,427,233	11,435,925	8,215,845	8,887,054
Full-Time Equivalents Total*	36.00	43.00	45.00	45.00

* FTE totals are provided for informational purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here

Budget Overview

The 2023 Adopted Budget for the City Budget Office (CBO) has several changes, including three technical items increasing for standard costs, adjusting for wage inflation, and backing out \$3.8 million in Coronavirus Local Fiscal Relief Fund (CLFR) work that was budgeted like grant funding, a one-time resource to be used over three years.

Affordable Seattle Expansion

The budget increases JumpStart Payroll Expense Tax (payroll tax) funding for the Affordable Seattle program, which includes the CiviForm application. Affordable Seattle reduces barriers for low-income residents to access programs such as utilities, childcare, transportation, and food. CiviForm is a common application across multiple departments that decreases the time and effort for residents and their trusted intermediaries (e.g., Community Based Organizations) to apply for City of Seattle programs. Affordable Seattle and the CiviForm application increase access to programs by translating applications into multiple languages, highlighting programs for which an applicant is eligible, automatically reusing information provided on one application to complete new applications, enables community-based organizations to submit applications on behalf of clients, and continuously gathering feedback

City Budget Office

from the people served to improve the tool and business processes. Investments for the Affordable Seattle Expansion are across three departments:

- Within CBO's Innovation and Performance Team, one existing position currently funded with \$175,000 of CLFR funding will be moved to payroll tax funding in 2024. The City Council removed funding in the adopted budget that was proposed in the Executive's budget; this funding would have added \$100,000 of payroll tax funding for community outreach and \$189,000 to the City Budget Office Innovation & Performance Team to add one FTE Strategic Advisor, to manage the Affordable Seattle program, provide program analytics, lead the interdepartmental CiviForm feature roadmap, and drive internal business process improvements.
- In the Office of Economic Development's (OED's) budget, this program adds \$312,026 in ongoing funding backed by the payroll tax to OED's Leadership and Administration BSL for two new positions to increase awareness and adoption of CiviForm including user testing, design, and working with Innovation & Performance and Seattle IT to prioritize feature roadmap based on community response.
- In the Information Technology Department (ITD), \$525,998 is included for ITD's Applications Team to add three positions. Two Database Engineers will be dedicated to integrating CiviForm across technology platforms. One manager will be dedicated to overseeing the staff in ITD related to the program. The City Council changed a portion of the funding for this item to be charged to the utilities.

Increased Capacity and Evaluation Staffing for the JumpStart Payroll Expense Tax Fund

With the creation of the JumpStart Payroll Expense Tax Fund, there has been an increased workload for CBO as the fund was implemented, requiring both program evaluation and monitoring, tracking and budgeting over \$300 million. The proposed budget added two staff to conduct evaluation of payroll tax programs required by the Seattle Municipal Code, as well as moved two existing staff to the payroll tax fund in 2024 to transition their evaluation work from CLFR programs to payroll tax programs; these positions were removed by the City Council to redirect payroll tax resources to other priorities. The adopted budget adds two staff for monitoring, tracking and budgeting this new resource. These two positions will provide fiscal and policy analyst capacity, as well as work with the increased data complexity in our budget and accounting systems.

City Council Changes to the Proposed Budget

The Council made two changes to CBO's budget, eliminating funding for both an expansion of the Affordable Seattle program, and evaluation staff for the payroll tax spending.

Incremental Budget Changes

City Budget Office

	Dollars	FTE
2022 Adopted Budget	11,435,925	43.00
Baseline		
Citywide Adjustments for Standard Cost Changes	70,309	-
Removal of One-Time Budget Adds	(3,823,019)	-
Ongoing Adjustment to Reflect the 2022 Annual Wage Increase	223,080	-
Proposed Operating		
Expansion of the Affordable Seattle Program	289,710	1.00
Increased Staffing Capacity with Creation of New Funds	309,550	2.00
Payroll Expense Tax Evaluation Staff and Capacity	509,424	2.00

City Budget Office

Fund Evaluation Staff Transition to JumpStart Payroll Expense Tax Funding	-	-
Council		
Remove Funding for Expansion of the Affordable Seattle program	(289,710)	(1.00)
Eliminate Evaluation Staff for Payroll Expense Tax Spending	(509,424)	(2.00)
Total Incremental Changes	\$(3,220,080)	2.00
Total 2023 Adopted Budget	\$8,215,845	45.00

Description of Incremental Budget Changes

Baseline

Citywide Adjustments for Standard Cost Changes

Expenditures \$70,309

Citywide technical adjustments made in the baseline phase reflect changes to internal services costs, including rates from the Department of Finance & Administrative Services, Seattle Information Technology Department, Seattle Department of Human Resources, and for healthcare, retirement, and industrial insurance charges for the department. These adjustments reflect initial assumptions about these costs and inflators early in the budget process.

Removal of One-Time Budget Adds

Expenditures \$(3,823,019)

This item removes one-time federal funding added in the 2022 Adopted Budget, which for the City Budget Office is the removal of one-time Coronavirus Local Fiscal Recovery (CLFR) funding. These one-time resources provide support to CLFR activities such as reporting, monitoring and evaluation through 2024.

Ongoing Adjustment to Reflect the 2022 Annual Wage Increase

Expenditures \$223,080

This centrally administered change adjusts appropriations to reflect an annual wage increase in 2022, as outlined in the agreements between certain City unions, for personnel costs included in this department. These agreements were not finalized until after the 2022 budget had been adopted. This change includes ongoing cost increases to salary, FICA, Medicare, retirement, overtime and temporary labor. There is no increase assumed from 2022 to 2023.

Proposed Operating

Expansion of the Affordable Seattle Program

Expenditures \$289,710

Position Allocation 1.00

The Council eliminated this proposal in the adopted budget. Refer to the Council Changes section below. The proposed budget description follows:

This item increases funding for the Affordable Seattle program, which includes the CiviForm application. Affordable Seattle reduces barriers for low-income residents to access programs such as utilities, childcare, transportation, and food. CiviForm is a common application across multiple departments that decreases the time and effort for residents and their trusted intermediaries (e.g., Community Based Organizations) to apply for City of Seattle

City Budget Office

programs. Affordable Seattle and the CiviForm application increase access to programs by translating applications into multiple languages, highlighting programs for which an applicant is eligible, automatically reusing information provided on one application to complete new applications, enables community-based organizations to submit applications on behalf of clients, and continuously gathering feedback from the people served to improve the tool and business processes.

The City's 2023 Proposed Budget spends approximately \$294 million in JumpStart Payroll Expense Tax (payroll tax) proceeds, of which \$33 million is allocated to investments promoting economic revitalization and workforce development. This item adds JumpStart Payroll Expense Tax funding of \$100,000 for community outreach, and \$189,000 to the City Budget Office Innovation & Performance Team to add one FTE Strategic Advisor, 3 positions to manage the Affordable Seattle program, provide program analytics, lead the interdepartmental CiviForm feature roadmap, and drive internal business process improvements. One existing position currently funded with \$175,000 of Coronavirus Local Fiscal Recovery funding will also be moved to JumpStart Payroll Expense Tax funding in 2024.

Increased Staffing Capacity with Creation of New Funds

Expenditures	\$309,550
Position Allocation	2.00

The City's 2023 budget spends approximately \$321 million in JumpStart Payroll Expense Tax (payroll tax) proceeds, of which \$8 million is allocated to administration and evaluation. This item adds \$309,550 and 1 FTE Strategic Advisor, 2 and 1 FTE Management Systems Analyst funding to increase capacity within the City Budget Office. With the creation of the JumpStart Payroll Expense Tax Fund, as well as other funds in recent years, the complexity of budgeting has grown considerably, as each fund requires monitoring, balancing and tracking. The two additional staff will add fiscal and policy analyst capacity, as well as staff to work with the increased data complexity in our budget and accounting systems.

Payroll Expense Tax Evaluation Staff and Capacity

Expenditures	\$509,424
Position Allocation	2.00

The Council eliminated this proposal in the adopted budget. Refer to the Council Changes section below. The proposed budget description follows:

The City's 2023 Proposed Budget spends approximately \$294 million in JumpStart Payroll Expense Tax (payroll tax) proceeds, of which \$11 million is allocated to administration and evaluation. This item adds \$509,424 and two FTE Strategic Advisor, 2 evaluation advisors and services needed to conduct evaluation and reporting on the effectiveness of Payroll Expense Tax programs starting in 2023. This item also provides funding to increase administrative staffing capacity to support evaluation and administration in Innovation & Performance (IP) needed due to the increase in IP staffing related to Payroll Expense Tax.

Fund Evaluation Staff Transition to JumpStart Payroll Expense Tax Funding

Expenditures	-
--------------	---

This item provides \$350,000 in JumpStart Payroll Expense Tax (PET) funding for two FTE evaluation advisors starting in 2024. The evaluation advisors will shift from CLFR funding, to the payroll tax fund to evaluate the effectiveness of the payroll tax programs.

Council

Remove Funding for Expansion of the Affordable Seattle program

Expenditures	\$(289,710)
--------------	-------------

City Budget Office

Position Allocation (1.00)

This Council item rejected an expansion of the Affordable Seattle program in the City Budget Office, reprioritizing \$290,000 that would have funded 1.0 FTE and funding for community outreach.

Eliminate Evaluation Staff for Payroll Expense Tax Spending

Expenditures \$(509,424)

Position Allocation (2.00)

This Council item rejected a proposed budget add of 2.0 FTE in the City Budget Office for evaluation of Payroll Expense Tax (PET) programs and spending.

Expenditure Overview

	2021 Actuals	2022 Adopted	2023 Adopted	2024 Endorsed
Appropriations				
CBO - BO-CB-CZ000 - City Budget Office				
00100 - General Fund	7,302,904	7,612,906	8,215,845	8,711,842
14000 - Coronavirus Local Fiscal Recovery Fund	124,330	3,823,019	-	-
14500 - Payroll Expense Tax	-	-	-	175,212
Total for BSL: BO-CB-CZ000	7,427,233	11,435,925	8,215,845	8,887,054
Department Total	7,427,233	11,435,925	8,215,845	8,887,054
Department Full-Time Equivalents Total*	36.00	43.00	45.00	45.00

* FTE totals are provided for informational purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here

Budget Summary by Fund City Budget Office

	2021 Actuals	2022 Adopted	2023 Adopted	2024 Endorsed
00100 - General Fund	7,302,904	7,612,906	8,215,845	8,711,842
14000 - Coronavirus Local Fiscal Recovery Fund	124,330	3,823,019	-	-
14500 - Payroll Expense Tax	-	-	-	175,212
Budget Totals for CBO	7,427,233	11,435,925	8,215,845	8,887,054

City Budget Office

Appropriations by Budget Summary Level and Program

CBO - BO-CB-CZ000 - City Budget Office

The purpose of the City Budget Office Budget Summary Level is to develop and monitor the budget, carry out budget-related functions, oversee financial policies and plans, support and advance Citywide innovation and performance measurement, and provide financial and other strategic analysis.

Program Expenditures	2021	2022	2023	2024
	Actuals	Adopted	Adopted	Endorsed
City Budget Office	7,427,233	11,435,925	8,215,845	8,887,054
Total	7,427,233	11,435,925	8,215,845	8,887,054
Full-time Equivalents Total*	36.00	43.00	45.00	45.00

**FTE totals are provided for informational purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here*