
RESPONSIBLE GOVERNMENT

**RESULTS TEAM REQUEST FOR OFFERS
RESULTS TEAM MAP
OFFER SUMMARY
OFFERS**

RESPONSIBLE GOVERNMENT
*I WANT A CITY GOVERNMENT THAT IS RESPONSIBLE AND
RESPONSIVE TO ITS RESIDENTS AND BUSINESSES*

REQUEST FOR OFFERS

TEAM MEMBERS

Team Lead: Shannon Norman
Team Member: Patty Neorr
Team Member: Charlie Cox
Team Member: Rich Gieseke

DASHBOARD INDICATORS

Indicator 1: Percent of community responding positively regarding satisfaction with City services.

Measure Description: A measure used to provide information on the level of community satisfaction to specific government-provided services.

Importance: Satisfaction with services is a useful benchmark of a citizen's overall experience in Redmond and is a broad reflection of how they feel about living in Redmond.

Indicator 2: Trend in Redmond's Price of Government.

Measure Description: The sum of all taxes, fees and other revenues collected by all sectors of city government, divided by the aggregate personal income of City residents.

Importance: Allows the City to monitor the level of resources available to provide City services and the band within which residents are willing to pay for those services.

Indicator 3: The City's Bond Rating.

Measure Description: Reflects the City's ability to meet or exceed the highest nationally-recognized fiscal policy benchmarks as determined by bond rating agencies.

Importance: Measure of prudent financial management practices, maintenance of an open and transparent government and indicator of system integrity.

INTRODUCTION/SUMMARY OF CAUSE & EFFECT MAP

While each of the following four factors may stand alone, they are all indispensable for achieving a responsible and responsive government.

Factor 1: Fiscal Responsibility

The City has a responsibility to manage the resources provided by our citizens in a fiscally conservative, sustainable and transparent manner. This factor has a high impact on our residents and businesses. The City's budget should plan and allow for forecasting and stabilization of future revenues and expenditures, economic fluctuations, and management of community assets.

Factor 2: Quality Service

Reliable, responsive and approachable staff committed to customer service is a priority and City value. Through proactive and innovation approaches, knowledgeable staff is empowered to meet or exceed community expectations. Quality services are realized through effective and efficient systems which are operated by staff committed to providing timely and appropriate responses to the community.

Factor 3: Effective & Accountable Leadership

All leaders must be accountable to their team, the organization and ultimately the community to deliver appropriate results within their area of responsibility. Effective leaders seek to provide vision, knowledge and opportunities for the professional development of staff. Leaders in a high performing organization support an environment for staff to share experience and expertise. Effective and Accountable Leadership is essential to support the results our community desires.

Factor 4: Community Connections

A connected community is inclusive of all its residents, businesses, partners and visitors. Trust in government is earned through the open, transparent and timely sharing of information. Active communication and dialogue support the involvement of community and allows for the sharing of ideas and opinions. How we are performing as a municipality is reflected through multiple avenues of feedback. Community Connections are an integral part of responsible and responsive government.

PURCHASING STRATEGIES

Budget offers can be written directly to any one of these strategies in order to support the ultimate outcome of a responsible and responsive government. However, our Team believes offers that draw connections between all these strategies will have the highest impact.

WE ARE LOOKING FOR OFFERS THAT:

Strategy 1: Support Fiscal Responsibility through Quality Service and Effective & Accountable Leadership factors.

Offers should demonstrate good stewardship, transparent budgeting practices, compliance with city policies and/or mandates. When possible, offers should include ways to leverage resources through matching grants, other outside funding sources, or consolidation of existing efforts. Any mandates or changes in government laws must be clearly defined within the offer.

Our customers are important; the quality of their experience will define their perception or view of the organization as a whole. In order to improve or enhance customer service it is first important to consider who we serve, offers should define the customer.

Leadership at all levels is fundamental to developing a responsible government and allows for a high performing organization to thrive. Offers which demonstrate leadership methods which help the organization to advance the execution of the City's mission, vision, and support the City's values of Commitment to Service, Integrity and Accountability will be favored.

Strategy 2: Support Community Connections through open, two way dialog.

Our Team believes strong community connections support two important concepts.

First, connections create opportunities for residents and businesses to inform the City of community concerns or needs. Second, the City is able to keep the community informed of decisions, municipal performance and service issues.

Offers which demonstrate increased efficiency and effectiveness in the above two concepts will be favored.

Strategy 3: Support collaboration and efficiency.

Responsible and responsive government seeks to leverage resources inside and outside its boundaries. Offers should include cross-departmental, regional collaboration when possible.

In order to meet the expectations of the community, our Team believes that City departments must work together and collaborate with other governments in the region as well as the private sector. Offers that consider opportunities to build internal cooperation or involve regional and community based organizations and initiatives will be favored.

NOTES/PRACTICES/SUPPORTING EVIDENCE

1. EMC Research. (2015, January). City of Redmond Citizen Telephone Survey Results.
2. EMC Research. (2014, February). City of Redmond Citizen Telephone Survey Results.
3. 2015-2016 Budgeting by Priorities Request For Offers – Responsible Government.
4. 2013-2014 Budgeting by Priorities Request For Offers – Responsible Government.
5. 2011-2012 Budgeting by Priorities Request For Offers – Responsible Government.
6. 2009-2010 Budgeting by Priorities Request For Offers – Responsible Government.
7. Dashboard Measures Final_7.31.12.
8. Redmond LRFS 2011 Approved by Council.
9. Economic Development Recommendations.
10. Dashboard Presentation Final.

Fiscal Responsibility

- Strategic Financial Plans
- Sustainable Resources
- Good Stewardship
- Transparency

Community Connections

- Approachable & Open
- Education & Outreach
- Continually Engaged
- Inclusive Dialogue

RESPONSIBLE GOVERNMENT

I want a City Government that is responsible and responsive to its residents and businesses

Effective & Accountable Leadership

- Professional & Supportive
- Collaborative
- Clear Vision
- Integrity

Quality Service

- Innovative & Proactive
- Effective & Efficient
- Accessible
- Reliable

**RESPONSIBLE GOVERNMENT
2017-2018 Offer Summary**

OFFER ORDER

Page No.	Offer #	Offer Name	Department	2017-2018 Adopted Budget
199	EXE3011	Organizational Excellence and Customer Service	Executive	\$1,267,027
203	EXE3012	City Administration, Management and Leadership	Executive	\$2,396,032
207	EXE3013	City Council	Executive	\$343,628
211	FIN2988	City Clerk's Office Operations	Finance/IS	\$1,268,389
216	FIN2965	Responsible Financial Management	Finance/IS	\$5,307,713
220	FIN2996	Financial Business Solutions	Finance/IS	\$2,401,713
224	FIN2997	Protection and Replacement of Operating Resources	Finance/IS	\$35,281,329
228	FIN3006	Information Services Operations	Finance/IS	\$5,450,440
234	FIN3016	Strategic Systems Investments - NEW	Finance/IS	\$1,940,000
238	FIN3020	Service Desk and Print Shop - IS	Finance/IS	\$715,028
242	FIN2989	Risk Management	Finance/IS	\$2,188,796
245	HUM3014	Safety and Workers' Compensation Program	Human Resources	\$2,558,327
249	HUM3017	Human Resources	Human Resources	\$3,477,481
254	PW2976	Fleet Management	Public Works	\$7,123,129
			Total	\$71,719,032

OFFER RANKINGS

Department	Offer #	Offer Name	Results Team Ranking	
			Staff	Civic
Executive	EXE3012	City Administration, Management and Leadership	1	7
Executive	EXE3013	City Council	2	7
Finance/IS	FIN3006	Information Services Operations	3	4
Finance/IS	FIN3016	Strategic Systems Investments - NEW	4	11
Finance/IS	FIN2965	Responsible Financial Management	5	1
Finance/IS	FIN2988	City Clerk's Office Operations	6	11
Executive	EXE3011	Organizational Excellence and Customer Service	7	4
Finance/IS	FIN2996	Financial Business Solutions	8	1
Human Resources	HUM3017	Human Resources	9	14
Finance/IS	FIN3020	Service Desk and Print Shop - IS	10	11
Finance/IS	FIN2997	Protection and Replacement of Operating Resources	11	4
Finance/IS	FIN2989	Risk Management	12	1
Human Resources	HUM3014	Safety and Workers' Compensation Program	13	7
Public Works	PW2976	Fleet Management	14	7

Notes:

1. Adopted Budget totals may not include ending fund balances and fund transfers for all offers.
2. The Civics Results Team used a high, medium and low ranking scale rather than a sequential numbering sequence.

BUDGETING BY PRIORITIES

BUDGET OFFER

RESPONSIBLE GOVERNMENT

Department Name: EXECUTIVE
Type of Offer: OFFER - ONGOING

Id: EXE3011

ORGANIZATIONAL EXCELLENCE AND CUSTOMER SERVICE

Description:

What: The Organizational Excellence and Customer Service offer consolidates under a common strategic umbrella current citywide initiatives that support continuous improvement, leadership development, customer service and increased innovation. These initiatives include: (1) continued implementation of "Lean" by building upon and continuing training to support employees with streamlining processes; (2) opportunities for City employees to identify and implement innovations through a highly successful and competitive Innovation Fund program; (3) increasing the number of employees trained in Crucial Conversations methods that create a common set of expectations and understanding about how to have sometimes difficult but necessary conversations and (4) consolidating, streamlining and enhancing the customer service center which is temporarily co-located on the second floor of City Hall with other customer service functions dispersed in pockets throughout the City to more effectively serve City customers.

This cross-departmental offer includes initiatives that span the Executive Office (Customer Service Center and Innovation Fund); Organizational Excellence and Lean (Finance); training (Human Resources) and multiple cross-departmental teams that guide and support citywide initiatives.

Why: Commitment to service is one of the three core values of the City. Robust organizational excellence and customer service programs provide the structure, tools, training and staffing necessary to understand and respond to our customer's needs. This can be achieved by developing staff and providing them with the training and tools necessary to focus on our customers and improve processes to add value to the services that we provide to them. As processes are improved and efficiencies and capacity are created the City can achieve more for the community without the need for additional resources.

Who: The customers are people who live and work in Redmond, Redmond business owners and their customers, visitors, city staff and elected leaders.

Results:

Legend of Service Level Descriptions:

None - Service not provided

Reactive - Service issues are addressed only as they arise

Managed - Use of a planned approach to meeting defined service levels

Proactive - Strategic approach with focus on promoting efficient and high quality services and programs

Comprehensive - Integrated approach across multiple business lines to best achieve the City's vision and mission

Baseline: The City uses a combination of *proactive and reactive* approaches to organizational excellence and customer service. The offer speaks directly to the Responsible Government factors of quality service and effective and accountable leadership by consolidating staff to meet and exceed community expectations through efficient systems, timely responses and accountability to the community. The baseline functions of the Organizational Excellence and Customer Service offer are:

Customer Service: Consolidate high volume customer service functions using a "Customer Service Center" model similar to that deployed in the City of Bellevue. The key pieces of a City of Redmond Customer Service Center identified by the Customer Service Improvement Team include staffing requirements, space needs, technology enhancements, cultural change management and standardization of policies and procedures. Examples of specific

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BUDGETING BY PRIORITIES

BUDGET OFFER

RESPONSIBLE GOVERNMENT

Department Name: EXECUTIVE
Type of Offer: OFFER - ONGOING

Id: EXE3011

ORGANIZATIONAL EXCELLENCE AND CUSTOMER SERVICE

recommendations included consolidating over 32 customer service functions and reallocating space in City Hall to allow for a customer focused building design that can support this customer service concept. The baseline piece of the customer service center includes a supervisor (hired as part of the 2015-16 budget) for the relocated Customer Service Center. Though not in this operating offer, there are funds currently set aside in the Capital Investment Strategy to implement changes to City Hall that accommodate a first floor customer service counter.

Innovation Fund: During the 2015-16 biennium, projects were proposed by staff throughout the City and evaluated for their potential to provide significant innovation and efficiency. Of these, 19 projects were selected and implemented, resulting in overall increased productivity, reduced costs and a strong support for staff to propose potential innovative practices or efficiency measures in addition to those selected for funding.

Above Baseline: Additional resources are requested to enhance the City's ability to offer a *comprehensive* strategic approach to providing and enhancing organizational excellence and customer service programs that promote fiscal responsibility, quality service and community connections.

Customer Service Center: As described above, the concept of a consolidated Customer Service Center is to provide the community with a one-stop shop for their municipal government needs. Although some of the elements are considered baseline there is some funding that is needed to implement the recommendations made by the Customer Service Improvement Team. Included in this offer is \$80,000 of one-time and ongoing funds to execute a Customer Relationship Management (CRM) system to consolidate citywide customer contact points for questions and concerns, as well as a Development Services queue system to inform customers of wait times and where their request falls in the queue. The need for the City to engage more effectively, dynamically, and innovatively with the public is consistent with feedback received from citizens, as well as being one of the key strategic efforts Council identified as a priority.

Lean Initiatives: The offer includes \$150,000 one-time money to continue the implementation of Lean initiatives throughout the City by providing additional training to staff on Lean concepts and by providing consultant support for Lean initiatives that are significant in scope. For the last several years, Redmond has committed resources to building capacity within departments as well as cross-departmentally. The first Lean initiative was dedicated to streamlining the commercial permitting process. Since then procurement, e-Timesheet set-up, accounts payable and recruitment of City staff have all gone through Lean processes to achieve efficiency and effectiveness. Currently, the City takes a proactive approach to Lean systems and seeks to look at other processes and procedures to build capacity within the organization.

Training: To promote effective and accountable leadership and support a changing culture, Human Resources would continue training employees how to engage in crucial conversations. Crucial conversations are discussions between people where (1) stakes are high, (2) opinions vary and (3) emotions are strong. The root of many chronic problems in organizations is either not holding or not holding well crucial conversations between employees. In this offer \$12,000 in one-time funding is dedicated to training staff within the organization to teach this course work to others.

Below Baseline: If reductions are necessary, the Innovation Fund would be the source of this offers' scalability. Elimination of portions of the Innovation Fund support would result in a decreased investment in innovative projects proposed by City staff. Such a decrease could have negative impacts on customer service and capacity building efforts within the City.

- o **2% Scalability** - A reduction of \$9,018 would be reduced from the Innovation Fund (see explanation above).
-

Id: EXE3011

BUDGETING BY PRIORITIES

BUDGET OFFER

RESPONSIBLE GOVERNMENT

Department Name: EXECUTIVE
Type of Offer: OFFER - ONGOING

Id: EXE3011

ORGANIZATIONAL EXCELLENCE AND CUSTOMER SERVICE

- o **3% Scalability** - A reduction of \$13,527 would be taken from the Innovation Fund (see explanation above).
- o **6% Scalability** - A reduction of \$27,054 would be deducted from the Innovation Fund (see explanation above).

Budget Changes:

Approval of new items includes:

- o Increase .25 FTE Business License Program Coordinator, \$54,121, and transfer .25 of FTE from Responsive Development Services offer PLN2992 and .50 of FTE Sustainable Economic Development of EXE3023.
- o Transfer 1.00 FTE City Cashier, \$191,668, from Responsive Development Services offer PLN2992.
- o Transfer 1.00 FTE Administrative Assistant, \$116,198, from Construction and Right-of-Way Services offer PW2948.
- o One-time expenses of \$162,000 for leadership training & consulting.
- o Ongoing expenses of \$80,000 for Customer Relationship Management System (CRM) and Development Services queue system.

Budget Offer Summary:

Expenditure Summary

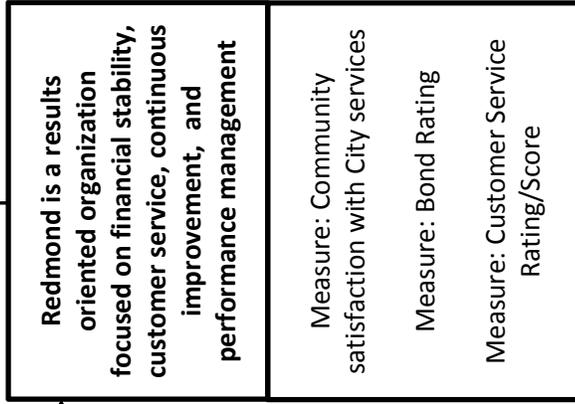
	2017	2018	Total
Ongoing-Sal/Ben	\$406,931	\$418,096	\$825,027
Ongoing-Others	\$110,000	\$110,000	\$220,000
OneTime-Sal/Ben	\$0	\$0	\$0
OneTime-Others	\$147,000	\$75,000	\$222,000
TOTAL	<u>\$663,931</u>	<u>\$603,096</u>	<u>\$1,267,027</u>
FTEs	4.000	4.000	

Organizational Excellence and Customer Service

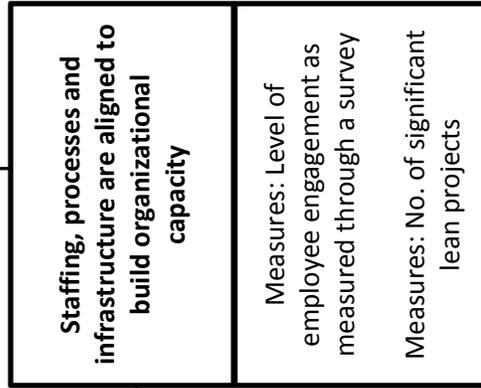
EXE 3011



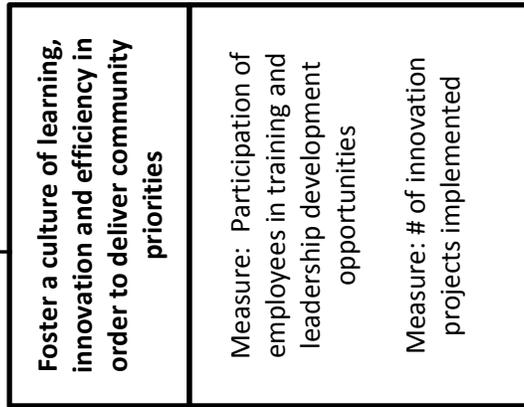
So that



So that



So that



Performance Measure	Actual				Target	
	2013	2014	2015	2016	2017	2018
Employees in training and leadership development (%)				new		
# innovation projects	8	8	11	11	12	12
Employee engagement				new		
# of lean projects		1	3			
Community satisfaction w/services	73%	70%	71%	85%	85%	85%
Bond rating	AAA	AAA	AAA	AAA	AAA	AAA
Customer service rating				new		
Price of Government	5.X%	4.X%	4.X%	4.X%	5-6%	5-6%

BUDGETING BY PRIORITIES

BUDGET OFFER

RESPONSIBLE GOVERNMENT

Department Name: EXECUTIVE
Type of Offer: OFFER - ONGOING

Id: EXE3012

CITY ADMINISTRATION, MANAGEMENT AND LEADERSHIP

Description:

What: The City Administration, Management and Leadership offer encompasses City of Redmond executive leadership including, City Administration and Management, Regional Policy and Services, and Civil Legal Services oversight/management. The Mayor's Office serves as the catalyst for the City's vision of a community with connected neighborhoods with two vibrant urban centers. As the Executive branch of Redmond City government, its mission is to assess community needs, propose policies, develop strategies and programs responsive to community needs, and coordinate and support department implementation of strategies and programs in a fiscally responsible manner. The Office is involved on a day-to-day basis in strategic planning for the future, cross-departmental collaboration and engaging regional partners to further the City's vision. The Office of Communications is housed in and managed by the Mayor's Office to ensure there is clear and consistent internal communication as well as communication from the City to the community (please see offer EXE2998, Community Building through Communications).

Why: The Mayor's Office administration, management and coordination of City activities advance citizens' priorities and address community needs. Leadership through articulation and implementation of the City's vision ensures City staff is in alignment with each other and regional partners. The Mayor's Office has led customer service, innovation and efficiency initiatives to better enable staff to meet the community's needs efficiently and effectively. Well thought out and timely internal communication, as well as communication with the community, is a large part of the Mayor's Office responsibility to engage and reinforce credibility with the community and work force, as well as promote transparency in City government.

Who: Customers of the Mayor's Office are wide ranging and varied. As the Mayor's Office is responsible for aligning City services with citizen priorities, its management and leadership role is focused on the Community and its service needs, and City staff and Council. The Mayor's Office also focuses on elected officials and staff from throughout the region, as Executive leadership within the City and region supports the City's ability to meet the needs and expectations of the Redmond community today and in the future.

Results:

Legend of Service Level Descriptions:

None - Service not provided

Reactive - Service issues are addressed only as they arise

Managed - Use of a planned approach to meeting defined service levels

Proactive - Strategic approach with focus on promoting efficient and high quality services and programs

Comprehensive - Integrated approach across multiple business lines to best achieve the City's vision and mission

Baseline: The baseline for the City Administration, Management and Leadership offer includes the Executive Department and coordination of the City's work in the regional and state legislative arena. The offer also sponsors continued coordination of organizational improvement efforts, promotes efficiency and innovation through management of the Innovation Fund and supports ongoing risk management through civil legal work.

Under Executive leadership, the City's mission, vision and values were adopted, and the Mayor's Office continues to communicate and advance these throughout the City. Executive leadership established a culture of customer service and continuous improvement within the City pioneered the execution of the Redmond Operations Innovations (ROI) fund, and continues to advance implementation with ongoing engagement of Department Directors and senior managers from

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BUDGETING BY PRIORITIES

BUDGET OFFER

RESPONSIBLE GOVERNMENT

Department Name: EXECUTIVE
Type of Offer: OFFER - ONGOING

Id: EXE3012

CITY ADMINISTRATION, MANAGEMENT AND LEADERSHIP

all departments. The Mayor's Office also guides and manages the City's collaboration, participation and advocacy efforts in the regional and state legislative arena, including Mayor, Council and staff in the Mayor's Office and throughout departments.

Executive office leadership, by promoting regional coordination and collaboration, provides opportunities to address regional policies and programs so that City interests and needs are met. City Council adoption of a regional agenda defines an expectation of leadership and active participation in regional issues by the Mayor, Council and staff throughout the organization, managed by the Mayor's Office.

A well-managed City with a clear vision, mission, goals and objectives that are communicated internally and to the community is essential to demonstrating fiscal stewardship, promoting community connections, engaging citizen involvement, providing excellent customer service and transparency in City government, and reinforcing credibility that the City is effectively and efficiently serving Redmond's needs.

Service Level Description: Proactive.

Above Baseline: The City Administration, Management and Leadership offer does not include any new funding, initiatives or programs above its FY (Fiscal Year) 2015-2016 budget, other than inflationary increases.

Service Level Description: Proactive.

Below Baseline: Summarized below are the proposed reductions for a 2%, 3% and 6% funding cut in this offer.

2% Scalability - Eliminate the community survey funding (\$30,000) and the FY 2017-2018 inflationary increases included to address cost increases in association dues, copier maintenance and the Mayor's performance bond, among other miscellaneous line items (\$18,900). Beyond staffing costs, the Mayor's Office budget does not include additional funding other than basic operating expenses. The biennial citizen survey conducted by Finance will need to cover community survey/outreach needs and inflationary costs increases will be deferred. *Service Level Description: Managed.*

3% Scalability - Eliminate the items included in the 2% reduction above, (\$48,900), and reduce the Mayor's contingency fund by 50% (\$25,000), resulting in diminished City support for community initiatives such as the Saturday Market, Leadership Eastside and other citizen/employee recognition efforts for FY 2017-2018. In addition to the impacts described above, those organizations whose events and programs have historically relied upon Mayor's Office funding will need to seek funding from other parties. *Service Level Description: Managed* for City operations; Reactive for support of community initiatives.

6% Scalability - Eliminate the community survey funding (\$30,000) and the City's lobbyist contract (\$113,500). In addition to the survey impacts described above, the City would be severely limited in its efforts to advance its interests in Olympia, including securing State funding for City programs and infrastructure needs. Since the City commissioned lobbyist services in the FY 2009-2010 budget, it has seen marked increases in its successful procurement of tens of millions in State funding for capital projects such as transportation infrastructure needs, the Redmond Central Connector, the Downtown Park and stormwater projects like Tosh Creek. While not recommended, elimination of services like the City's lobbyist contract is the only means to achieve a 6% reduction target in this largely staffing

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BUDGETING BY PRIORITIES
BUDGET OFFER
RESPONSIBLE GOVERNMENT

Department Name: EXECUTIVE
Type of Offer: OFFER - ONGOING

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CITY ADMINISTRATION, MANAGEMENT AND LEADERSHIP

budget. *Service Level Description:* **Managed** for City operations; **reactive** for capital and infrastructure project funding due to severe limitations on the City's ability to advance its interests in Olympia and to secure State funding.

Budget Changes:

No change in program.

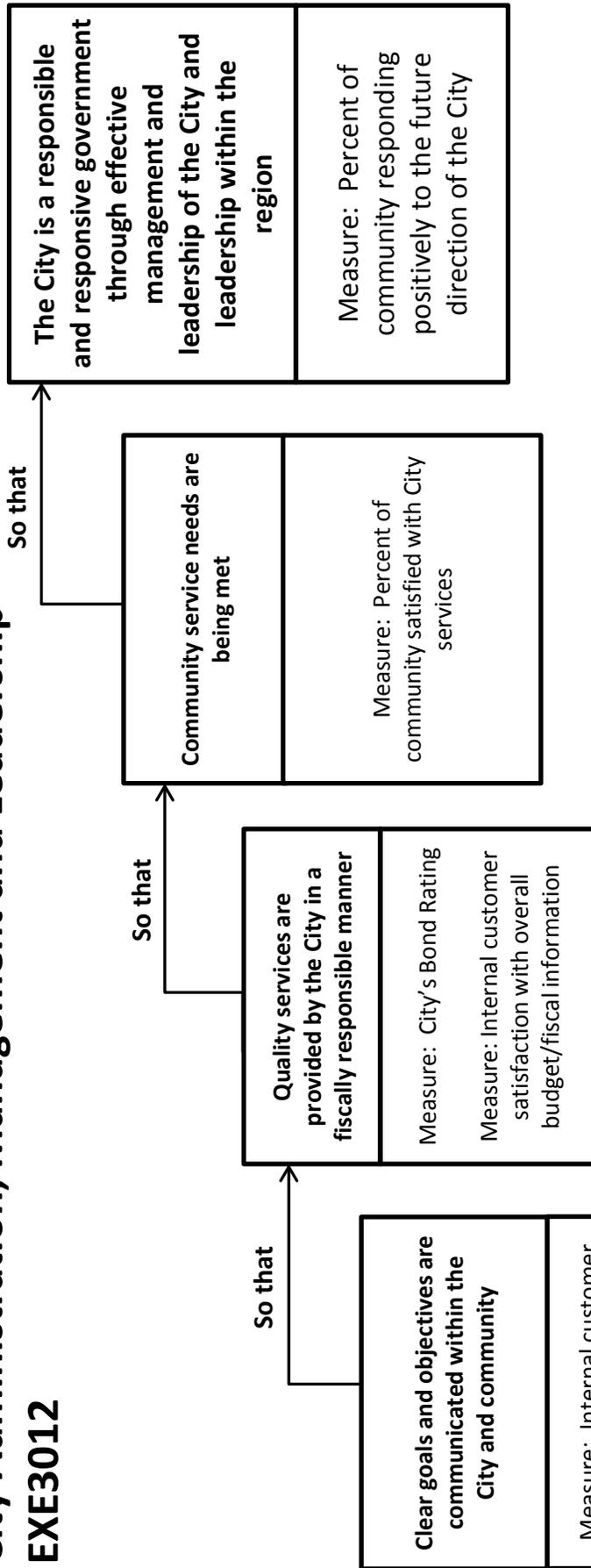
Budget Offer Summary:

Expenditure Summary

	2017	2018	Total
Ongoing-Sal/Ben	\$818,849	\$832,744	\$1,651,593
Ongoing-Others	\$353,419	\$361,020	\$714,439
OneTime-Sal/Ben	\$0	\$0	\$0
OneTime-Others	\$30,000	\$0	\$30,000
TOTAL	<u>\$1,202,268</u>	<u>\$1,193,764</u>	<u>\$2,396,032</u>
FTEs	5.300	5.300	

City Administration, Management and Leadership

EXE3012



Performance Measure	Actual				Target		
	2013	2014	2015	2016	2017	2018	
Percent of City employees satisfied with creative services from Communications Office per internal city survey	62%	62%	62%	80%	70%	70%	
Percent of community members reporting they feel informed about programs and issues per citizen survey	47%	63%	63%	70%	70%	70%	
Percent of City employees satisfied with overall budget and fiscal information per internal city survey and Finance survey	89%	70%	70%	95%	85%	85%	
Percent of community satisfied with City services per citizen survey	73%	70%	71%	85%	85%	85%	
Percent of community responding positively to future direction of the City per citizen survey	77%	71%	70%	85%	85%	85%	

BUDGETING BY PRIORITIES

BUDGET OFFER

RESPONSIBLE GOVERNMENT

Department Name: EXECUTIVE
Type of Offer: OFFER - ONGOING

Id: EXE3013

CITY COUNCIL

Description:

What: The purpose of this offer is to fund the salaries and expenses associated with Redmond's City Council. Redmond has a strong Mayor/Council form of government. The seven Councilmembers, representing the community at large, are each elected directly by the people for staggered four-year terms.

In response to the effective and accountable leadership factor, the City Council provides leadership that is responsive to the needs of the community in a fiscally sound manner. Through its work, the City Council supports the City's vision by adopting comprehensive policies that ensure fiscal responsibility, such as establishment of an economic contingency as a hedge against inflationary pressures, as well as reserves to meet the City's needs in case of a wide ranging disaster. In addition, Council leadership is reflected in its public communications by engaging the community in various forums to identify issues, craft solutions and create a transparent and problem-solving environment for City staff and stakeholders.

To support community connections through formal meetings, Councilmembers hear requests from staff, individual citizens and citizen groups on a myriad of issues. They then must make decisions that best respond to the community's needs and support the City's vision. The Council demonstrates effective leadership by engaging in City and region-wide alliances to establish community connections. It demonstrates fiscal responsibility by making prudent financial decisions, creating a comprehensive financial strategy that guides city services into the future and continually examining the City's condition through its Dashboard metrics, investment strategies and policy decisions. Councilmembers are informed on Citywide and regional issues through staff reports, committee meetings, trainings and discussions with the community and other regional leaders. Finally, creating a legislative agenda every year demonstrates intra-city and regional partnerships and collaboration by reaching out to state legislators on issues and challenges significant to Redmond and the region.

Why: The City Council plays an overarching role in City government by representing the legislative branch of the City of Redmond. As in any government, it provides the checks and balances necessary to foster responsible and responsive government services. In its role as the "board of directors," Councilmembers are called on to engage the community on a variety of issues to support the welfare of the City and, in some cases, surrounding jurisdictions and the region. They do these things to provide quality services, encourage collaboration and partnerships, reinforce transparency with their constituents, and encourage citizen involvement in their government.

Who: The City Council performs its duties for the benefit of all citizens and businesses located in the city limits of Redmond and the greater Redmond area. Some examples of the customers the City Council serves include:

- o Citizens through education, outreach, and community engagement initiatives;
- o Regional partners through issue identification, problem-solving, and decision-making; and
- o City staff through supporting new initiatives, fiscal transparency, and maintaining the quality of Redmond's workforce.

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BUDGETING BY PRIORITIES

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RESPONSIBLE GOVERNMENT

Department Name: EXECUTIVE
Type of Offer: OFFER - ONGOING

Id: EXE3013

CITY COUNCIL

Results:

Legend of Service Level Descriptions:

None - Service not provided

Reactive - Service issues are addressed only as they arise

Managed - Use of a planned approach to meeting defined service levels

Proactive - Strategic approach with focus on promoting efficient and high quality services and programs

Comprehensive - Integrated approach across multiple business lines to best achieve the City's vision and mission

Baseline: This baseline covers the legislative branch of Redmond City government, funding the salaries of seven elected Councilmembers and their related office and miscellaneous costs of the legislative branch. It covers all the Council's internal activities related to responding to the needs of the community and making sound financial and policy decisions. It also covers all the Council's external activities including discussions with regional leaders, creating regional partnerships, and collaboration on issues that are important to the Redmond community and the surrounding region.

Service Level Description: Managed.

Above Baseline: The City Council offer does not include any new funding above its Fiscal Year 2015-2016 budget.

Service Level Description: Managed.

Below Baseline: Below are proposed reductions for a 2%, 3% and 6% funding cut in this offer.

2% Scalability (\$6,873) - To achieve this reduction, the travel and conference registration budgets would be reduced by \$6,873. This would limit Councilmembers' attendance at national, state and local conferences, and limit its abilities to represent the City and its needs and interests. Conferences provide opportunities for collaboration with other leaders on innovative ideas and strategies that would benefit the Redmond community. A reduction in conference participation would negatively impact Council direction, and Redmond citizens' overall city satisfaction could decline.

Service Level Description: Managed.

3% Scalability (\$10,309) - This reduction would be achieved by further limiting the travel and conference registration budgets, thereby limiting Councilmembers' attendance at national, state, and local conferences with resulting impacts on their abilities to represent the City and its needs and interests. Increased impacts discussed in the 2% reduction would occur.

Service Level Description: Managed.

6% Scalability (\$20,618) - This level of reduction would be achieved by drastically reducing the travel and conference registration budgets by \$17,400, severely limiting Councilmembers' attendance at national, state, and local conferences with more impacts on their abilities to represent the City and its needs and interests, and with more of the consequences listed under the 2% reduction narrative. Also, professional services (facilitators for retreats) would need to be reduced by \$3,218; this reduction affects Council retreat discussions on future strategies, which could impact community satisfaction with the City's future direction.

Service Level Description: Managed.

Budget Changes:

No change in program.

Id: EXE3013

BUDGETING BY PRIORITIES
BUDGET OFFER
RESPONSIBLE GOVERNMENT

Department Name: EXECUTIVE
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Id: EXE3013

CITY COUNCIL

Budget Offer Summary:

Expenditure Summary

	2017	2018	Total
Ongoing-Sal/Ben	\$116,964	\$116,964	\$233,928
Ongoing-Others	\$54,675	\$55,025	\$109,700
OneTime-Sal/Ben	\$0	\$0	\$0
OneTime-Others	\$0	\$0	\$0
TOTAL	<u>\$171,639</u>	<u>\$171,989</u>	<u>\$343,628</u>
FTEs	7.000	7.000	

City Council EXE3013

Redmond is a responsive and responsible government through effective leadership

Measure: Percent of community responding positively to the future direction of the City

So that

Policy decisions are consistent with the long-range vision

Measure: Percent of community satisfied with City services

Measure: City's AAA Bond Rating

So that

Long-range plans and strategies are created consistent with community needs

Measure: Long range plans are refreshed and updated in the appropriate timeframes

So that

Community information is collected and analyzed

Measure: Redmond conducts annual community survey

Measure: Ombudsman issues are formally acknowledged, closed, and reported within established timeframes

Measure: Agendas are published three days in advance of Committee meetings

Measure: Open Town Hall meetings are conducted at least three times per year

Performance Measure	Actual				Target	
	2013	2014	2015	2016	2017	2018
Percent of community satisfied with City services per citizen survey	73%	70%	71%	85%	85%	85%
Percent of community responding positively to future direction of the City per citizen survey	77%	71%	70%	85%	85%	85%
Ombudsman issues are formally acknowledged, closed, and reported within established timeframes	100%	100%	100%	100%	100%	100%
Agendas are published three days in advance of Committee meetings	100%	100%	100%	100%	100%	100%
Open Town Hall meetings are conducted at least three times per year*					100%	100%

*New measure for FY 2017-2018

BUDGETING BY PRIORITIES

BUDGET OFFER

RESPONSIBLE GOVERNMENT

Department Name: FINANCE & INFORMATION SERVICES
Type of Offer: OFFER - ONGOING

Id: FIN2988

CITY CLERK'S OFFICE OPERATIONS

Description:

What: The City Clerk's Office Operations offer provides transparent public access to City government along with efficiency of open government processes, quality customer service solutions and essential trust in city government. These are accomplished through support of the Council legislative processes, access to public information and records and support of quasi-judicial services typical of a representative government (e.g. Hearing Examiner).

Why: The City Clerk is a direct link between the citizens and their City in the administration of a responsible government. The City Clerk's Office is also a key resource to City staff in providing support, training and information needed to assist in the completion of their related work. This offer enables the City to ensure that the public processes identified above are easily understood and are available to all customers at all times. Through communication, collaboration and work flow processes, the City Clerk's Office facilitates the processes outlined in this offer by being a Citywide resource and providing one-on-one interaction with members of the public, members of Council and all departmental staff. This is done with a neutral perspective in order to provide Redmond constituents with objective and impartial access to their city government.

Who: Customers served by this offer include: the Redmond community; all City staff by providing training, support and direct internal services; the Mayor and City Council by facilitating the legislative process, meetings and records of the City; other elected officials and agencies by coordinating activities, schedules and issues between other governments on behalf of the City of Redmond; stakeholders and staff involved in the administrative appeal process to the Hearing Examiner; and all visitors/customers (both physical and virtual) seeking City services or City records.

Results:

Legend of Service Level Descriptions:

None - Service not provided

Reactive - Service issues are addressed only as they arise

Managed - Use of a planned approach to meeting defined service levels

Proactive - Strategic approach with focus on promoting efficient and high quality services and programs

Comprehensive - Integrated approach across multiple business lines to best achieve the City's vision and mission

Baseline (*Reactive/Managed/Proactive*): This offer directly speaks to the dashboard indicators of: Percent of Community Responding Positively Regarding Satisfaction with City Services, the Trend in Redmond's Price of Government, and the City's bond rating. This offer measures that inform Indicators such as: City Council's business processes and quasi-judicial processes are transparent and accessible to the public; Customer service solutions are provided; Government processes are efficient and trust in City government is established as it relates to the services provided by this offer; and integrity in processes provides for effective and accountable leadership).

Factors accounted for in this offer are: fiscal responsibility, effective and accountable leadership, community connections, and quality service. These factors are emphasized by the efforts of our staff and continuing investments in technology and improved processes to improve overall productivity. Significant changes to our processes along with the use of new technology to improve effectiveness, has resulted in maintaining the high levels of service traditionally provided by the City Clerk. Additionally, these process improvements have made government more available for public access (e.g. complete council and committee agendas published on-line, public records requests and responses provided for on-line).

Id: FIN2988

BUDGETING BY PRIORITIES

BUDGET OFFER

RESPONSIBLE GOVERNMENT

Department Name: FINANCE & INFORMATION SERVICES
Type of Offer: OFFER - ONGOING

Id: FIN2988

CITY CLERK'S OFFICE OPERATIONS

Results are measured in part by overall citizen satisfaction expressed through external surveys and from internal customer service surveys. These show that a vast majority of users of City Clerk services are satisfied or very satisfied with the overall services they receive (99%). Similar high satisfaction is reported in previous survey results with respect to the delivery of services/solutions and support of our customers. Results are further measured by compliance with legal mandates related to public records requests; public notice and meeting accessibility; and hearing examiner review and appeal procedures; contributing to the City's bond rating (public transparency and trust).

The baseline offer is the current level of service which supports and provides for the functions described in this offer. The office responds appropriately to needs for its services by addressing issues as they arise (reactive); by using planned approaches to meeting defined service levels (managed); and by implementing strategic approaches with focus on promoting efficient and high quality services and programs (proactive).

The Clerk's Office is primarily human resource - 63 percent of the budget provides for salaries and benefits across the biennium (\$641,605), including an additional \$52,200 as the Clerk's Office portion of overhead salaries and benefits for the Finance Department. The remaining 37 percent of the budget goes to contract administration and operational expenses. This remaining operational account provides for items such as, election services, records services, hearing examiner services, for office supplies, legal advertising, printing, code supplements, microfilming of permanent records and training/dues for professional certifications/organizations.

Above Baseline: The Finance Department, through efforts of the City Clerk's Office and Information Systems (IS), would like to move forward in the coming biennium with a comprehensive citywide electronic Records and Information Management (RIM) System. The primary drivers for implementing a RIM solution is enhancing customer service, ensuring business continuity, and regulatory compliance.

This project will result in an ongoing program of records and information management with respect to the City's indexing, archiving, retrieval and timely destruction of records. Hiring of a Records Coordinator and the implementation of one citywide electronic solution will ensure faster, more efficient, and more transparent service in responding to records and information requests. The reduction in risk the City assumes in not being able to respond to requests properly and on time, will increase the City's ability to avoid potentially costly lawsuits. The process of inventorying and purging all City records (hardcopy and electronic/onsite and offsite, that have past their approved life span) in each division of the City, and establishing one citywide standardized filing system tied to the State-mandated records retention schedule (the length of time we are allowed to keep records), will facilitate the necessary foundation in which to establish a managed level of service with respect to this critical function.

The City, Finance Department and City Clerk's Office currently do not possess the human resources nor the expertise to support records management ongoing program. **Reactive** management is the current service level of the City in this regard. One full-time employee to support the program on an ongoing basis, all users of the system, and all administrative aspects of running the Citywide electronic system (including ongoing training and support of City staff) is requested. Under the direction of the Clerk, this person would coordinate with and oversee consultants brought in to work with the City and its departments to inventory and purge all existing records that have exceeded their life span and to set up a process of active management among all departments, resulting in a **managed** level of service.

Funding in the approximate amount of \$174,000 for the 2017-2018 biennium (approximately \$87,000 per year) is requested for the position of Records Coordinator. Funding of this request would ultimately result in a partial offset of

Id: FIN2988

BUDGETING BY PRIORITIES

BUDGET OFFER

RESPONSIBLE GOVERNMENT

Department Name: FINANCE & INFORMATION SERVICES
Type of Offer: OFFER - ONGOING

Id: FIN2988

CITY CLERK'S OFFICE OPERATIONS

savings with respect to physical and virtual storage space costs. Savings (in the form of creating additional staff capacity) would also result in reducing the amount of staff time and resources needed in managing, purging and searching for records, resulting in fiscal accountability, quality service, and effective and accountable leadership in the area of Citywide records management.

Below Baseline:

2% Scalability (\$21,900) - This reduction would result in a loss of service levels with respect to providing continuing education and professional development of staff. The Clerk's Office would also experience a decrease in approximately \$6,000 of other operational line items. The Office would still be able to manage its operations, but would not be able to support continuing education and professional certifications of staff. With time, emergent technologies, and changes in law and regulations, staff would fall behind in their ongoing knowledge and ability to efficiently and effectively support legal requirements, City staff and customers. Our ability to hire and train our team has enabled us to provide great service with a small staff. Our service levels would not change initially, but would degrade over time.

3% Scalability (\$32,850) - This reduction would result in the same loss of funding as discussed above in 2% scalability and in addition would reduce service levels with respect to the ability to microfilm City Council permanent documents and other permanent documents archived in the Clerk's Office. The result would be the loss of a long-term plan to preserve these records in perpetuity. In addition, no redundancy would exist should something catastrophic occur to the original hardcopy records. Additional operational account impacts would be realized with 3% reduction.

6% Scalability (\$65,696) - This reduction would result in a loss of service levels, as a cut in this amount would essentially remove the entire unencumbered operational account for the City Clerk's Office, including all items discussed above in the scalability of 2% and 3%, all advertising/legal notice funds, all printing and mailing funds, any equipment repair funds needed, all Hearing Examiner operational funds and the ability to publish City Code amendments. Any remaining operational funds would be used to assist in paying the costs of legal noticing and office supplies. Please note that many of these operational lines items are not discretionary (such as hearing examiner, code amendment updates, support of King County elections, etc.). A reduction of this type would put the office in a *reactive* level of service. Note also that we would preserve staff as the nature of the work requires three staff to support council meetings, committee meetings, publishing agendas and minutes, managing records requests, etc.).

Budget Changes:

Approval of new item includes:

- o Ongoing 1.0 FTE Records Coordinator, \$173,441.

BUDGETING BY PRIORITIES
BUDGET OFFER
RESPONSIBLE GOVERNMENT

Department Name: FINANCE & INFORMATION SERVICES
Type of Offer: OFFER - ONGOING

Id: FIN2988

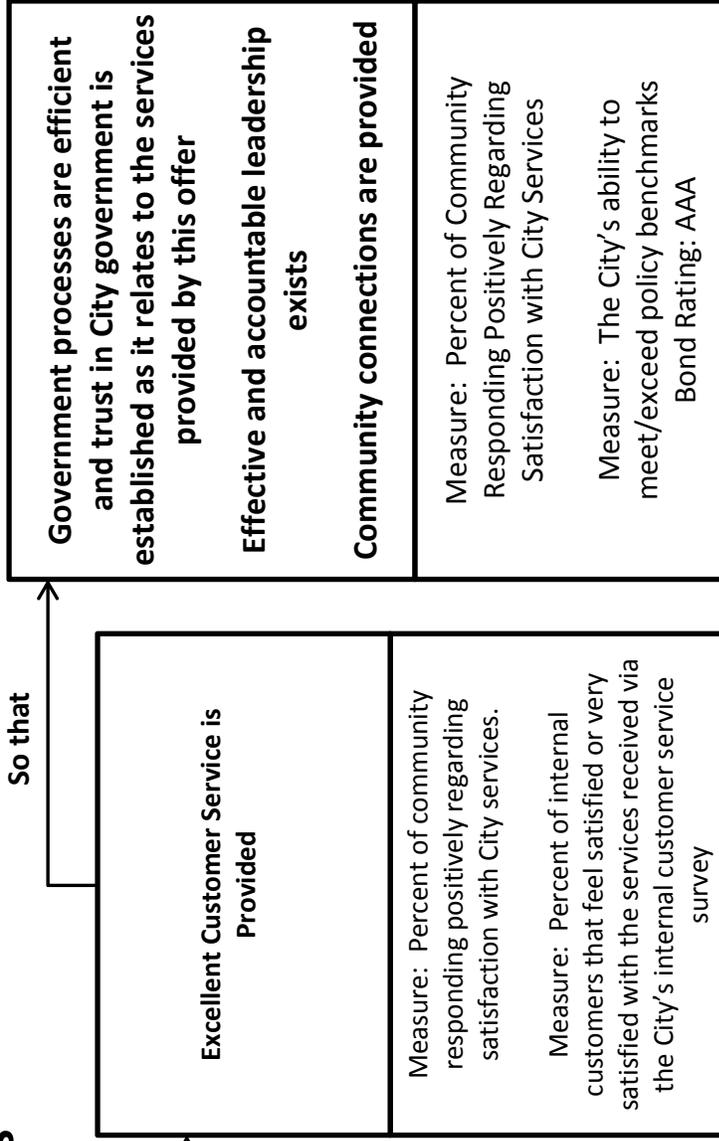
CITY CLERK'S OFFICE OPERATIONS

Budget Offer Summary:

Expenditure Summary

	2017	2018	Total
Ongoing-Sal/Ben	\$428,776	\$439,220	\$867,996
Ongoing-Others	\$195,992	\$204,401	\$400,393
OneTime-Sal/Ben	\$0	\$0	\$0
OneTime-Others	\$0	\$0	\$0
TOTAL	<u>\$624,768</u>	<u>\$643,621</u>	<u>\$1,268,389</u>
FTEs	4.150	4.150	

City Clerk's Office Operations FIN2988



Clerk's Office Operations - service production meeting all legal and operational requirements by providing full customer service solutions, support and information to external and internal customers

Measure: City Council business information is available to the public and staff and all associated legal requirements are met 100% of the time

Measure: City Records are properly maintained and are available to the public per RCW 42.56

Measure: The quasi-judicial review process meets all requirements of City Code 100% of the time

Excellent Customer Service is Provided

Measure: Percent of community responding positively regarding satisfaction with City services.

Measure: Percent of internal customers that feel satisfied or very satisfied with the services received via the City's internal customer service survey

So that

So that

Performance Measure	Actual				Target	
	2013	2014	2015	2016	2017	2018
The open accessibility to meeting locations and current meeting information of the public body within the mandated statutory time prescribed by law (public notice)	N/A	100%	100%	100%	100%	100%
The accessibility of information or the response of the status of the information (either immediately or within the timeline prescribed by law, but no more than five business days from receipt of request)	N/A	99%	99%	100%	100%	100%
Customer service solutions provided by the Clerk's Office in the daily operations of other departments (measured by customer service survey)	99%	99%	99%	100%	100%	100%

BUDGETING BY PRIORITIES

BUDGET OFFER

RESPONSIBLE GOVERNMENT

Department Name: FINANCE & INFORMATION SERVICES
Type of Offer: OFFER - ONGOING

Id: FIN2965

RESPONSIBLE FINANCIAL MANAGEMENT

Description:

What: The Responsible Financial Management offer supports the tasks and activities that go into safeguarding the resources that are entrusted to the City by the community. As stewards of the money and keepers of the policies and regulations that govern fiscal actions, the fiscal divisions in this offer promote accountability, transparency and continuity of City services. Responsible Financial Management speaks to the purchasing strategies in the Responsible Government priority by planning for the City's long-range financial future, providing accountability and transparency, complying with laws and regulations that promote sound fiscal practices and supporting Redmond operations through effective fiscal leadership.

Why: The Finance Department is charged with the responsibility of safeguarding and managing community resources to enable City departments to provide citywide services. By providing a Citywide support network, the Finance Department promotes a responsive and responsible government through financial stewardship, quality customer service and accurate reporting of financial information. In addition, to maintain the City's AAA bond rating, the Department focuses on ensuring strong relationships with credit rating agencies that monitor the City's overall fiscal health. It is the goal of the financial operations areas to be a collaborative business partner to those that rely on financial services.

Who: The customers of the Finance Department are varied and include internal staff and elected leaders who need to purchase goods, monitor and track their budget, provide payment and revenue collection service options, obtain financial resources to carry out their goals or are expected to make leadership decisions regarding the future course of the City. Externally, the Department supports Redmond residents and businesses by providing timely and accurate information; regional partners through collaboration on issues and challenges; city suppliers through consistent practices and procedures; and bondholders through accountable and transparent financial management.

Results:

Legend of Service Level Descriptions:

None - Service not provided

Reactive - Service issues are addressed only as they arise

Managed - Use of a planned approach to meeting defined service levels

Proactive - Strategic approach with focus on promoting efficient and high quality services and programs

Comprehensive - Integrated approach across multiple business lines to best achieve the City's vision and mission

Baseline: The Finance and Information Services Department takes a *proactive* approach to the City's financial services. The baseline offer evaluates and supports City needs through budgeting, long-range forecasting, policy analysis and systematic assessment of operating plans by focusing on emerging trends, performance indicators and monitoring and tracking the overall fiscal health of the City. The outcome also focuses on delivering accurate, transparent and dependable financial data to elected officials, City leaders and the community by staying current with accounting regulations and reporting requirements, as well as through the preparation and submission of the Comprehensive Annual Financial Report (CAFR) and biennial budget. Although not wholly responsible for the City's AAA bond rating, the conservative and transparent approach to fiscal management has been cited by rating agencies as having a significant impact on the cost of the City's debt issuance.

Id: FIN2965

BUDGETING BY PRIORITIES

BUDGET OFFER

RESPONSIBLE GOVERNMENT

Department Name: FINANCE & INFORMATION SERVICES
Type of Offer: OFFER - ONGOING

Id: FIN2965

RESPONSIBLE FINANCIAL MANAGEMENT

The functions that devote their expertise to these areas include:

- o **Treasury Services** provides fiscal stewardship through managing the City's investment portfolio and banking services.
- o **Accounting and Auditing** provides financial accountability and transparency through accurate accounting, reporting, audit and internal control services.
- o **Payroll** supports fiscal responsibility and effective employee customer service through timely, accurate and dependable compensation and benefit services for employees.
- o **Accounts Payable and Purchasing** promotes continuity of City services through delivery of accurate and consolidated payment of City bills and procuring resources.
- o **Financial Planning and Performance Management** provides effective and accountable leadership by leading the biennial Budgeting by Priorities (BP) process, engaging in long-term financial planning through preparation of the long range forecast, reviewing revenue and expenditure conditions.

Demonstrating Efficiencies: In 2015 the Purchasing Division launched a Lean initiative to streamline the staff requisition to order process. Some outcomes that emerged included reducing processing time by adding electronic attachment capabilities (scheduled for implementation in the summer 2016) and improving requisition input quality through the creation of better self-help tools and staff training to reduce Purchasing rework time.

Above Baseline: Proposed in the offer is a position that will be shared between Utility Billing (.75 FTE) and Treasury (.25 FTE) Divisions. Both divisions require additional staff to ensure adequate back-up for necessary billing and bank processes. Although efficiencies for utility billing customers have been implemented, such as online payments for utility bills, the workload to administer the new system has increased due to additional steps needed to validate the payments. Due to the complexity of many of the online services and the need for adequate internal controls, duties cannot easily be assigned across the division. As a result, both divisions are becoming limited in their ability to protect sensitive information, perform operations and provide quality customer service. In addition, the Utility Billing Division has seen a 6% growth in total utility accounts between 2011-2015, a 27% growth in leak adjustments and a 5% growth in service requests between 2013-2015. Currently, there is no way to track the number of customer service calls received by the Utility Billing division, however the impact of increased calls has put further pressure on staff's ability to keep up with processing final bills, troubleshooting challenging accounts and setting up or terminating accounts. The FTE increase will allow Treasury and Utility Billing to maintain their service level at *proactive* as well as maintain current accounts receivables for utility bills at a 95% rate.

Below Baseline:

2% Scalability - The funding for 0.50 FTE (\$70,000) as well as consulting services (\$35,000) used in Financial Planning to hire outside expertise would be eliminated. The Finance and Information Services Department would eliminate some services currently performed by outside consultants when needed, such as special studies like the Fleet Study and would need to decrease workload to realign with fewer staff members. The service level of Financial Operations would go from a *proactive to managed* with a defined level of workload. Some of the potential performance

Id: FIN2965

BUDGETING BY PRIORITIES

BUDGET OFFER

RESPONSIBLE GOVERNMENT

Department Name: FINANCE & INFORMATION SERVICES
Type of Offer: OFFER - ONGOING

Id: FIN2965

RESPONSIBLE FINANCIAL MANAGEMENT

outcomes include a reduction in customer satisfaction (currently at 95% satisfaction) to potentially 85%, increased time to pay bills and/ or increased time to fulfill purchasing needs.

3% Scalability - The funding for one-full time employee for one year (\$155,000) would be eliminated. The Financial Operation Divisions would decrease workload to realign workload to accommodate fewer staff members. Eliminating one-year of funding for an employee would give the Department enough time to analyze workload impacts and strategically decide what services would be eliminated. Some of the potential impacts would include a reduction in service levels from *proactive to managed or reactive* depending on the divisions affected. Possible performance impacts include customer satisfaction with department would go from 95% satisfaction to 75%, increased time to pay bills from 30 days to 45 days.

6% Scalability - At 6% scalability, the Finance and Information Services Department would eliminate 1.0 FTE (\$311,000) for the biennium. The Department would immediately eliminate some tasks in the divisions and rearrange workload to accommodate the decreased staffing levels. The service levels in the affected divisions would go from *proactive to managed or reactive* depending upon the division affected. Other possible outcomes include material misstatements in financial reports and a downgrade in the City's bond rating, a longer period (approximately 15-17 days) between the close of the month and when financial status reports are available and a decrease in customer service from 95% customer satisfaction rating to 65%-75% satisfaction rating. Material misstatements are the most significant potential impact since they are findings by the State Auditor where the City has violated either state statute or City of Redmond policies. Material misstatements are a trigger to rating agencies for a downgrade of bond ratings as they are perceived as mismanagement of community funds.

Budget Changes:

Changes to the offer include:

- o Approve One-time request of \$85,000 for process improvement for Utility Billing Division.
- o Approve One-time request of \$25,000 for user fee study, transferred from Responsive Development Services offer PLN2992.
- o Reduce new ongoing request 1.0 FTE Accounting Specialist, \$139,963.

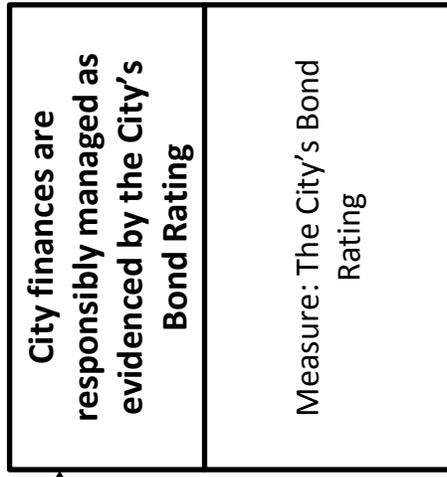
Budget Offer Summary:

Expenditure Summary

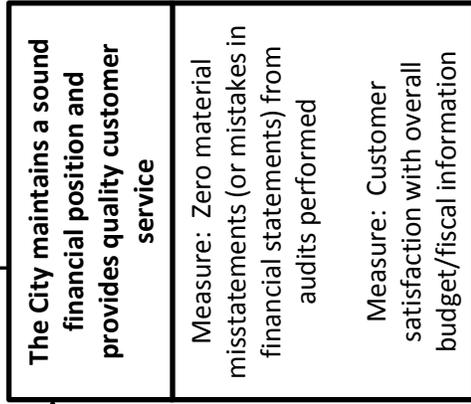
	2017	2018	Total
Ongoing-Sal/Ben	\$2,353,311	\$2,409,982	\$4,763,293
Ongoing-Others	\$219,018	\$215,402	\$434,420
OneTime-Sal/Ben	\$0	\$0	\$0
OneTime-Others	\$110,000	\$0	\$110,000
TOTAL	<u>\$2,682,329</u>	<u>\$2,625,384</u>	<u>\$5,307,713</u>
FTEs	19.445	19.445	

Responsible Financial Management

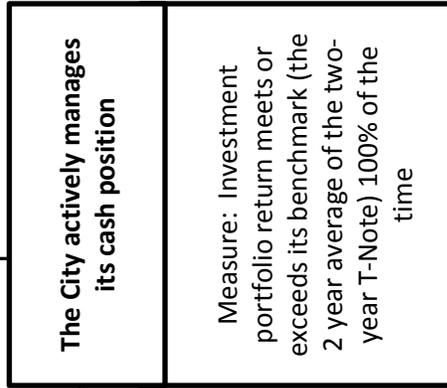
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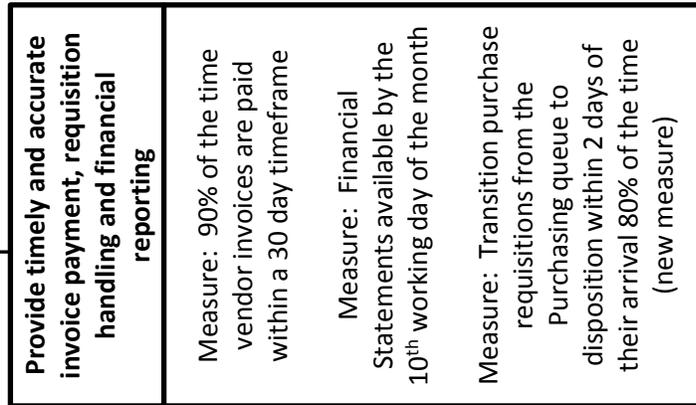
So that



So that



So that



Performance Measure	Actual			Target		
	2013	2014	2015	2016	2017	2018
Vendor invoice bills are paid within a 30 day timeframe	88%	89%	89%	90%	90%	90%
Financial statements available by the 10 th working day of the month	92%	100%	100%	100%	100%	100%
Investment portfolio return meets or exceeds its benchmark	156%	180%	157%	100%	100%	100%
Zero material misstatements from audits performed	0	0	0	0	0	0
Internal customer satisfaction with overall budget/fiscal information	89%	95%	95%	98%	98%	98%
The City's Bond Rating	AAA	AAA	AAA	AAA	AAA	AAA

BUDGETING BY PRIORITIES

BUDGET OFFER

RESPONSIBLE GOVERNMENT

Department Name: FINANCE & INFORMATION SERVICES
Type of Offer: OFFER - ONGOING

Id: FIN2996

FINANCIAL BUSINESS SOLUTIONS

Description:

What: The Financial Business Solutions offer supports the maintenance, replacement and enhancement of the City's financial Enterprise Resource Planning (ERP) Systems. These systems share data across departments, track business resources and commitments and provide effective ways to perform business processes. Examples of these systems include the Dynamics (DAX) modules, such as accounting, procurement and accounts payable as well as the Eden Human Resources Information and Payroll systems.

Why: The City's ERP systems are a vital technology tool allowing for the integration of various organizational systems to share one database. Sharing consistent information across the City makes for effective and efficient systems where the data is accurate for use by decision makers. In addition, the City's open data platform relies on the ERP systems for accurate and timely information sharing with the community. Having effective, integrated systems supports responsible city management, connects citizens to their government and allows efficient collaboration across departments. The Financial Business Solutions offer supports the purchasing strategies of fiscal responsibility, quality service and accountability and collaboration and efficiency through demonstration of good stewardship of City resources as well as compliance with the City's policies and regulations.

Who: The customers using financial data and systems are varied and include internal staff, decision makers and the community who use financial information. Internal customers include all employees who rely on the payroll system for the accuracy of bi-monthly pay, budget coordinators who monitor and track their budgets as well as the Mayor, Directors and Council who make decisions based on the information located in the systems. In addition, the Community expects transparency from their government and the City's open data platform relies on the data stored within the ERP systems to populate the tables and graphs that tell the City's financial story.

Results:

Legend of Service Level Descriptions:

None - Service not provided

Reactive - Service issues are addressed only as they arise

Managed - Use of a planned approach to meeting defined service levels

Proactive - Strategic approach with focus on promoting efficient and high quality services and programs

Comprehensive - Integrated approach across multiple business lines to best achieve the City's vision and mission

Baseline: The baseline Financial Business Solutions offer contains maintenance and licensing fees for the ERP systems specific to the Finance and City Clerk services. The service level for these systems is *managed* for the modules currently in place. The baseline offer encompasses the maintenance and operations for Dynamics, Eden, Contracts Online, Tax Tools, Cashiering and reporting capabilities (Management Reporter and ZAP). The offer also includes the people, salary and benefits in Information Services and Finance whose job it is to keep the systems running smoothly.

The Finance and Information Services Department has been working to take a more integrated approach to technology systems that capture financial data, pay bills, administer contracts and pay employees. Current systems include:

- o Dynamics AX - a financial system encompassing general ledger accounting, accounts payable, project accounting and purchasing. The system also includes reporting modules, such as Management Reporter and ZAP (a cross-module reporting tool).

Id: FIN2996

BUDGETING BY PRIORITIES

BUDGET OFFER

RESPONSIBLE GOVERNMENT

Department Name: FINANCE & INFORMATION SERVICES
Type of Offer: OFFER - ONGOING

Id: FIN2996

FINANCIAL BUSINESS SOLUTIONS

- o Eden - a system consisting of payroll and human resources information.
- o Contracts Online - an in-house written system used to administer citywide contracts
- o Timekeeping - an in-house written system employed for timecard administration
- o Cashiering - used to receipt incoming revenue
- o Investment Tracker - allows the City to track investments and market conditions
- o Budgeting by Priorities Tool allows the Departments to collate budgeting information during the Budget by Priorities process.
- o Agenda Management - employed to manage the documents used in the City Council agenda cycle
- o Records Management - used to archive the City's legislation and documents as required by State of Washington statutes.

Although these systems support citywide services, the responsibility of their operation and maintenance falls to the Finance and Information Services Department. It is the Department's goal to keep these systems running, upgraded when needed and replaced when they reach the end of their useful life.

Above Baseline: The Financial Business Solutions offer encompasses replacements to our current systems, including a new fixed asset module to track citywide equipment, a travel and expense module to ease the administration and tracking of citywide travel expenses, a new budget planning module to replace the current Budgeting by Priorities tool, a citywide timekeeping and contracts online system because of obsolescence of their current platform. Currently these systems have reached the end of their useful life and are stand-alone systems, not integrated with the Finance accounting system. The useful life of software systems vary from 5-15 years with continual upgrades. Replacing stand-alone systems supports the goal of the Department to eliminate multiple systems and rely on a more integrated approach. A one-time investment of \$1.03 million in replacement of these systems would help the Department to move to a more proactive approach in the cited areas as well as reduce the time staff spends porting data from one system to another.

Below Baseline:

2% Scalability (\$30,000) - This reduction would result in the City taking on more risk for adequate help to maintain the systems at current capacity. The service level for these systems would drop from a *managed* level to *reactive*, relying on in-house staff to be able to troubleshoot systems that may not be within their expertise. An example of the impact may be, shifting workload from side systems like the open data portal to basic maintenance of systems.

3% Scalability (\$41,000) - This reduction would result in inadequate maintenance of the financial systems. The service level would go to *reactive* where problems would be dealt with as they arise. There would be a potential of system down time increasing or systems not working adequately creating errors in financial data.

6% Scalability (\$82,000) - This reduction would result in eliminating the 0.50 full-time equivalent (FTE) employee for the biennium. The reduction of the FTE may not occur in the maintenance and operation of the ERP systems, but in other parts of the Department causing the immediate elimination of some tasks in the divisions and rearrangement of workload to accommodate the decreased staffing levels. The service levels in the affected divisions would be *reactive* with other possible outcomes, including material misstatements in financial reports causing a downgrade in the City's bond rating (financial misstatements are perceived by rating agencies as mismanagement of community funds), a longer period (approximately 15-17 days) between the close of the month and when financial status reports are available and a decrease in customer service below a 75% satisfaction rating.

Id: FIN2996

BUDGETING BY PRIORITIES
BUDGET OFFER
RESPONSIBLE GOVERNMENT

Department Name: FINANCE & INFORMATION SERVICES
Type of Offer: OFFER - ONGOING

Id: FIN2996

FINANCIAL BUSINESS SOLUTIONS

Budget Changes:

Approval of new items includes:

- o One-time new request of \$1,000,000 for investments in strategic financial software replacement and enhancements.

Budget Offer Summary:

Expenditure Summary

	2017	2018	Total
Ongoing-Sal/Ben	\$391,020	\$400,736	\$791,756
Ongoing-Others	\$304,362	\$305,595	\$609,957
OneTime-Sal/Ben	\$0	\$0	\$0
OneTime-Others	\$1,000,000	\$0	\$1,000,000
TOTAL	<u>\$1,695,382</u>	<u>\$706,331</u>	<u>\$2,401,713</u>
FTEs	2.575	2.575	

Financial Business Solutions FIN2996

The Community is satisfied with the services they receive

Measure: Percent of community satisfied with City services

The Finance Department can provide accurate and timely information to promote responsive and responsible services

Measure: Zero material misstatements from audits performed

Measure: Percent of internal and community customer satisfaction with budget and financial information

Business information is managed effectively and accessible to customers

Measure: Number of stand alone systems eliminated due to implementation or upgraded technology

Measure: Number of data sets in the open data environment (new measure)

Improve and integrate business processes through the use of technology

Measure: Reduce processing time between timekeeping and payroll (*future measure*)

So that

So that

So that

Performance Measure	Actual			Target		
	2013	2014	2015	2016	2017	2018
Number of stand alone systems eliminated	N/A	N/A	N/A	1	2	1
Zero material misstatements	0	0	0	0	0	0
Number of open data sets in the open data environment (new measure)	N/A	N/A	10	10	16	22
Percent of internal and community customers satisfied with budget and financial information	89%	95%	95%	98%	98%	98%
Percent of community satisfied with City services	73%	70%	71%	85%	85%	85%

BUDGETING BY PRIORITIES

BUDGET OFFER

RESPONSIBLE GOVERNMENT

Department Name: FINANCE & INFORMATION SERVICES
Type of Offer: OFFER - ONE TIME ONLY

Id: FIN2997

PROTECTION AND REPLACEMENT OF OPERATING RESOURCES

Description:

What: In accordance with the Council's financial policies, reserve funds are set aside to provide sufficient cash flow to meet the City's daily needs and support an appropriate level of City services in the event of an economic downturn or a significant, one-time catastrophic event. Redmond also holds various replacement funds and contingencies specific to the replacement of equipment at the end of its useful life and contingencies related to Law Enforcement Officers and Firefighters (LEOFF1) retiree medical costs. Holding reserves to mitigate unknown future service impacts is a long standing policy of the City of Redmond and has served Redmond well during times of economic stress. Additionally, the City is obligated to maintain all its assets at a level such that it enables staff to provide excellent customer service, protects the City's capital investments and minimizes future maintenance and replacement costs.

Why: Redmond's fiscal policies clearly state that the City will maintain General Operating Reserves to provide sufficient cash flow to meet daily financial needs and sustain City services in the event of a catastrophic incident such as a natural/manmade disaster or a major downturn in the economy. The City of Redmond has a commitment to protect our equipment so that when it has reached the end of its useful life, staff, who need resources to provide services, know that the equipment will be replaced. The City's adherence to the policies is important to outside agencies as well. The Washington State Auditor's Office and the financial rating agencies test whether or not the reserves are sufficient to maintain Redmond's fiscal integrity into the future and cite that fully funded reserves and contingencies are an important indicator of the overall fiscal sustainability of the organization.

Who: The residents and businesses that rely on the City of Redmond to provide services is the main customer that the Protection and Replacement of Operating Resources Offer targets. In addition, adequate reserves serve internal employees by replacing resources needed to serve the community once the equipment has reached the end of its useful life.

Results:

Legend of Service Level Descriptions:

None - Service not provided

Reactive - Service issues are addressed only as they arise

Managed - Use of a planned approach to meeting defined service levels

Proactive - Strategic approach with focus on promoting efficient and high quality services and programs

Comprehensive - Integrated approach across multiple business lines to best achieve the City's vision and mission

Baseline: The baseline offer includes all of the reserves and contingencies mentioned below as well as replacement costs for equipment that will reach the end of its useful life during the 2017-2018 biennium. Much of this offer is supported by one-time funding as most of the dollars are carryover of reserves into the next biennium. The ongoing funding is typically additions to the reserves as calculated per City policy. It is vital that an organization provide adequate funding to replace outdated equipment and set aside appropriate reserves so that continuity of services is maintained now and into the future.

Specifically, the reserves and contingencies described in this offer include:

- o **General Fund Reserves** calculated at 8.5% of General Fund Operating revenues (approximately \$6.5 million) as outlined in the City's fiscal policies;

Id: FIN2997

BUDGETING BY PRIORITIES

BUDGET OFFER

RESPONSIBLE GOVERNMENT

Department Name: FINANCE & INFORMATION SERVICES
Type of Offer: OFFER - ONE TIME ONLY

Id: FIN2997

PROTECTION AND REPLACEMENT OF OPERATING RESOURCES

- o **Economic Contingency** representing a total of 4% of General Fund Operating revenues (approximately \$3 million) as cited in the City's fiscal policies;
- o **Salary and Benefit Contingency and Law Enforcement and Firefighters Plan 1 (LEOFF1) Reserves** (approximately \$2.5 million) set aside to mitigate increases in the City's union contracts above estimated projections and held to offset the City's liability to pay for lifetime medical costs for LEOFF 1 retirees;
- o **Capital Equipment Replacement** representing the expenditures and reserves for replacement of equipment (approximately \$6.2 million) at the end of its useful life; and
- o **Utility Reserves** are maintained to provide sufficient cash flow to meet daily financial needs, meet requirements of Revenue Bond issuances, and utilized to meet the reserve requirements for the utility funds. (approximately \$16.4 million).

All of the above reserves and contingencies symbolize the Responsible Government priority factors of fiscal responsibility and effective and accountable leadership by preserving the integrity of the City's finances and maintaining and protecting its quality of service.

Please note: Many of the reserve funds show up as one-time money as they are carried over from year to year.

Above Baseline: An additional, one-time request of \$1,500,000 is included in the offer for the protection and replacement of City equipment. Currently, the City has a total of value of \$12 million worth of equipment replaced out of the Replacement Fund and has been steadily growing through the years with proliferation of hand held devices and other technology related equipment. Per the City's fiscal policies, every biennium the Capital Equipment Replacement Fund is analyzed to determine the adequacy of replacement funds into the future. Due to the continued addition of mobile technology equipment and other computer hardware purchases, analysis has shown that cash flow in the fund will be negative in 2018. A one-time infusion into the Replacement Fund will help smooth out some of the replacement costs anticipated in future years. If a one-time infusion is not available, the City will need to look at extending the useful lives of the assets beyond industry standards. Potential impacts of this decision will affect the percent of time reserves are available for replacement from 100% to 70-80% depending on the amount of assets coming up for replacement in any given year.

Below Baseline:

2% Scalability (\$687,415) - This reduction would impact either the City's salary and benefit contingency or LEOFF 1 retiree contingency. The risk of reducing the salary and benefit contingency is departments having to mitigate salary and benefit cost increases within their budgets due to contract settlements that were not anticipated. The LEOFF 1 contingency supports the City's obligation to pay for medical costs for retired LEOFF 1 firefighter and paramedics. The current actuarial study suggests the long-term liability of the City of these kinds of costs totals approximately \$1.0 million for 2017 and 2018. The City would need to reduce other budgets to make up for impacts from these two cost centers.

Id: FIN2997

BUDGETING BY PRIORITIES

BUDGET OFFER

RESPONSIBLE GOVERNMENT

Department Name: FINANCE & INFORMATION SERVICES
Type of Offer: OFFER - ONE TIME ONLY

Id: FIN2997

PROTECTION AND REPLACEMENT OF OPERATING RESOURCES

3% Scalability (\$1,031,124) - This reduction similar to the explanation above would reduce the City's ability to replace equipment at the end of its useful life which would have a direct impact on City services and the Community's satisfaction with those services. The City would be reactive in replacing equipment when it breaks down rather than taking a planned approach to replacement.

6% Scalability (\$2,062,247) - This reduction would impact a combination of funds from reserves and equipment replacement would be decreased. With a 6% reduction, staff would need to evaluate City fiscal policies that govern the need for reserves and contingencies so that the risk is minimized. Holding reserves and contingencies is one of the reasons Redmond has earned AAA bond rating. Should Redmond change their policies to reduce reserves and/or contingencies the market may react by downgrading the City's bond rating.

Budget Changes:

Approval of new items includes:

- o One-time new request of \$1,454,814 for capital equipment replacement.

Budget Offer Summary:

Expenditure Summary

	2017	2018	Total
Ongoing-Sal/Ben	\$0	\$0	\$0
Ongoing-Others	\$2,177,050	\$1,850,602	\$4,027,652
OneTime-Sal/Ben	\$0	\$0	\$0
OneTime-Others	\$11,352,581	\$19,901,096	\$31,253,677
TOTAL	<u>\$13,529,631</u>	<u>\$21,751,698</u>	<u>\$35,281,329</u>
FTEs	0.000	0.000	

Protection and Replacement of Operating Resources FIN2997

Bond rating agencies respond favorably to the City's policies regarding asset replacement, reserves and contingencies which ensure that the City is meeting its fiduciary responsibility toward the community

Measure: The City's Bond Rating: AAA

So that

Operating resources are protected and continuity of services maintained

The City adheres to all financial policies regarding reserves and contingencies

Measure: Percent of community satisfied with City services

So that

The equipment used by employees is appropriate to support City services

The City can appropriately respond to unanticipated events

Measure: Percent of value of equipment held in reserve

Measure: % of reserves maintained at policy levels to mitigate impact of significant events

So that

The City provides adequate funding to replace outdated equipment

Measure: Percent of equipment replaced in the appropriate timeframe (*new measure*)

Measure: Value (\$) of items in the replacement program over \$5,000

Performance Measure	Actual				Target		
	2013	2014	2015	2016	2017	2018	
% of Community satisfied with City services	73%	70%	71%	84%	84%	84%	
% of reserves maintained at policy levels	100%	100%	100%	100%	100%	100%	
% of value of equipment held in reserve	13.6%	12%	9%	11%	20%	20%	
Value of items in replacement program	\$17.6 M	\$11.1 M	\$11.4 M	\$12 M	\$12 M	\$12 M	
Fund adequate to replace items as needed at end of useful life	100%	100%	100%	100%	100%	100%	

BUDGETING BY PRIORITIES

BUDGET OFFER

RESPONSIBLE GOVERNMENT

Department Name: FINANCE & INFORMATION SERVICES
Type of Offer: OFFER - ONGOING

Id: FIN3006

INFORMATION SERVICES OPERATIONS

Description:

What: The Information Services (IS) Operations offer provides computing, network and telephone services for all City employees and Facilities. This offer provides a robust and stable environment for Redmond employees and customers to communicate with each other and conduct business in an efficient manner. Efficient use of technological resources provides the means to process work more effectively. We provide services to **30 City facilities, 800 regular and supplemental employees and 60,000-150,000 Redmond residents, businesses and visitors.** In addition to network access at every City desk and wireless network access in every building, primary services include support of:

- o 880 laptop, desktop and tablet computers
- o 1,200 email accounts
- o 1,300 telephones and voicemail accounts
- o 130 devices for printing, copying, scanning
- o 160 servers for applications and file storage

Why: Before recent advances in information technology (IT), all work was done with paper and in person, and was inefficient for constituents who had to travel to City Hall. Today it is impossible to conduct business transactions, in whole or in part, without a computer and the underlying technology to support it. Whether scheduling a building inspection, signing up for swimming lessons, logging evidence of a crime or calling to start your water service, this offer provides the staff, technology and services that allows the City to reduce travel and lines, eliminate paper processing and increase customer service.

In addition to providing and maintaining the physical infrastructure supporting the City's services, this offer ensures that the IT systems comply with regulations such as Criminal Justice Information Services security policies (CJIS), Health Insurance Portability and Accountability Act (HIPPA) and Payment Card Industry standards (PCI). We are also responsible to keep systems safe from Cyber-attacks and Malware such as viruses and ransomware.

This offer supports the Responsible Government priority Purchasing Strategies of providing quality service, supporting community connections and collaboration. Good stewardship is demonstrated by maintaining our technology assets to keep them in good working order and replacing them on a routine basis to remain current with technology advances. Information Services works in collaboration with all City departments by providing support and the technology and tools staff uses to deliver services to their customers including connecting with the community. In addition, we partner with other agencies throughout the region such as Lake Washington School District, King County, the Community Connectivity Consortium, NORCOM and other Cities.

Who: The direct customers of this offer are City employees who use IT infrastructure services on pc's or tablets like an iPad, the internet or Microsoft Word in their day-to-day activities and those that use the IT infrastructure as a platform for other business information solutions not included in this offer, like Online Permits, www.Redmond.gov website or Utility Billing Interactive Voice Response (IVR). Citizens, businesses and visitors have traditionally been considered indirect customers because the IT infrastructure allows them to connect to the people, services and information they seek, but more recently they have also become direct customers of services such as free, public Wi-Fi in City facilities.

Id: FIN3006

BUDGETING BY PRIORITIES

BUDGET OFFER

RESPONSIBLE GOVERNMENT

Department Name: FINANCE & INFORMATION SERVICES
Type of Offer: OFFER - ONGOING

Id: FIN3006

INFORMATION SERVICES OPERATIONS

Results:

Legend of Service Level Descriptions:

None - Service not provided

Reactive - Service issues are addressed only as they arise

Managed - Use of a planned approach to meeting defined service levels

Proactive - Strategic approach with focus on promoting efficient and high quality services and programs

Comprehensive - Integrated approach across multiple business lines to best achieve the City's vision and mission

Baseline: We provide access to information and communication technology to 800 regular and supplemental employees and 100 Board and Commission members in 30 Facilities throughout the City. We aspire to provide a managed level of service consistently, but at current workloads we frequently deliver at a reactive level of service. Our primary services include voice services (phones, call trees, voicemail), desk and mobile computing devices, servers and network drives, intranet/internet access, shared printers, office productivity software (Office, Acrobat), databases management systems, a computer training lab and end-user support.

Demonstrated Efficiencies: The City's IT infrastructure has tripled by a number of measures in the last 10-15 years: number of devices per staff, number of servers, number of databases, network speed-bandwidth and number of business applications hosted. IS Operations has been able to absorb that growth without staffing changes through productivity gains in three areas:

- o People - IS Operations has used organizational change to create operational capacity without adding staff. For example, the Network and Support teams were merged into a single team and a manager position was repurposed to help staff the IS Service Desk (offer FIN03020). That allowed staff that formerly managed incoming calls and emails to spend more time on direct hardware and software support activities.
- o Process - IS Operations has standardized on documented procedures for tasks like configuring machines and setting up user accounts. These efforts not only reduce the effort to complete the tasks but greatly reduce error, rework and customer inconvenience.
- o Technology - IS Operations has leveraged information technology to automate basic services, reducing or eliminating staff time and errors. Microsoft System Center software, for example, has reduced the time it takes to configure a basic PC from 4 hours to 45 minutes. That same software allows monthly security patches to be distributed instead of quarterly and software installs to be completed in minutes, not days. Another of example of continuous improvement efforts is server Virtualization which reduces hardware needs by having many virtual servers on fewer physical servers. This reduces hardware costs, decreases maintenance activities, saves on electricity and eliminated the need to expand the City's data center.

IS Operations expects the growth of digital infrastructure to not only increase, but to increase at a faster rate into the foreseeable future. This offer contains an above baseline request for additional staff anticipated to support the IT environment.

Id: FIN3006

BUDGETING BY PRIORITIES

BUDGET OFFER

RESPONSIBLE GOVERNMENT

Department Name: FINANCE & INFORMATION SERVICES
Type of Offer: OFFER - ONGOING

Id: FIN3006

INFORMATION SERVICES OPERATIONS

Above Baseline:

New position: Network System Engineer (\$319,657) is needed to manage current service level and help move to a proactive service level. The City has operated with the same number of personnel supporting infrastructure for 11+ years, and while we have found efficiencies to help us continue to operate with limited personnel while growing our systems, we can no longer operate the expanded number of systems with 2005 levels of personnel. Once we are able to get to a completely managed and a mostly proactive service level, we will have more resource available to work on implementing additional technologies in response to business needs and requests.

Cybersecurity Consulting Services (\$285,000) will implement an ongoing cybersecurity program, including a City-wide set of policies governing security and compliance of critical infrastructure, operation of a vulnerability management program, implementation of additional network security improvements, security monitoring, alerting and incident response, ongoing training for City employees to prevent malware and cybercrimes such as ransomware. Cyber-attacks are a daily threat to our network and a proactive service will mitigate the risk and protect the City's resources.

Purchase and Implement Digital Signature Software (\$3,800)

The purchase of digital signature software will provide a proactive approach to the process of getting City contracts signed both internally and externally. The software will allow City staff to tag and route contracts for signature via defined workflow significantly reducing the time spent on printing, assembling, routing and tracking down paper copies. Not only will this create greater efficiency by reducing the time spent on the manual process, it will substantially reduce the amount of paper used today. Staff will be able to spend time saved on work that provides value to our customers.

Text Message Capture Software (one-time -\$3,600), City-owned phones (\$24,000 for 331)

Text messaging is as necessary as email for City staff to communicate effectively. Like email, text messages that are used in the conduct of City business are subject to the State Records Retention laws. Until now there has been no way to capture and store text messages so staff has had the responsibility of retaining their messages on their phones and producing them if there is a public records request (PRR). In order to provide a proactive approach to managing our electronic records, text message capture software will capture messages during transmission which can be downloaded into the City's email server. Staff can manage those messages in the same manner as they do with email today. Capturing text messages will reduce the City's risk when a PRR is made for text messages by ensuring those messages are retained appropriately.

SQL Server Consulting Services (\$100,000 annually)

The City's SQL Server database environment has significantly grown in the last 15 years expanding from 2 to 24 database servers. Our current database environment now supports critical enterprise systems supporting Finance, Utilities, Public Works, Police systems and City web pages. Our existing database administration staffing resources are inadequate both in availability and skill set to maintain and operate our environment. This deficiency puts us at risk for data loss, security breaches and system failures. In 2016 we awarded a contract, to audit our environment, implement best practices, upgrade to latest version of SQL Server and provide ongoing maintenance and operations plus incident management and troubleshooting support. That initial contract was funded through existing consulting services dollars. We now require ongoing funding to support database administration and are requesting \$100k a year. This additional funding will take the level of service for this critical component of our enterprise systems from *reactive* to *proactive*.

Id: FIN3006

BUDGETING BY PRIORITIES

BUDGET OFFER

RESPONSIBLE GOVERNMENT

Department Name: FINANCE & INFORMATION SERVICES
Type of Offer: OFFER - ONGOING

Id: FIN3006

INFORMATION SERVICES OPERATIONS

Below Baseline: Our service level for below baseline would fall into a *reactive* level of service with decreased service level and increased downtime and would have a negative impact on employees, residents, businesses and visitors who rely on City technology

2% Scalability (\$105,425) - This would reduce professional services that are used to replace pc's, requiring current staff to perform the replacements as they can fit it in between service calls. We expect the Service Level Agreement (SLA) performance measure would drop well below 80% and service for anything other than broken items will be delayed for additional days.

3% Scalability (\$158,137) - This would further reduce professional services used to fill gaps in knowledge for infrequent systems maintenance and updates, reduce training for all IS staff which would hinder our ability to keep up with technology. Performance measure impacts would be to both SLA's and incidents related to downtime, where mistakes could be made if we are unable to rely on training and professional services.

6% Scalability (\$316,274) - This would further reduce training, tools, dollars allocated for out of warranty repair for Police pc's that are being left in service for an additional two year, and eliminate Iron Mountain tape storage, adding risk if hardware failures occur. We may not be able to implement or support any additional technology such as the pending upgrade to Windows 10, and current levels of service would be further reduced resulting in decreased customer satisfaction. Assets would be at risk with reduced level of software patching, meaning increased risk of viruses, malware and ransomware. The number of incidents related to infrastructure downtime would likely increase and there would be no capacity to increase the number of high speed connections via funding from the Strategic Systems budget.

If the 6% scalability is taken, there would be little, if any, capacity to implement or support any new technology being proposed in the Strategic Systems Investments Offer #3006. Therefore, we recommend that Offer #3006 not be funded.

Budget Changes:

Changes to the offer include:

- o Add ongoing new request of \$7,600 for purchase and implementation of Digital Signature Software.
- o Add one-time new request of \$3,600 for Text Message Capture Software and ongoing new request of \$48,000 for phones.
- o Reduce ongoing new request for 1.00 FTE Network Engineer position, \$319,657.
- o Reduce ongoing new professional service by \$200,000 for SQL consultant and \$285,000 for cybersecurity consultant services.

BUDGETING BY PRIORITIES
BUDGET OFFER
RESPONSIBLE GOVERNMENT

Department Name: FINANCE & INFORMATION SERVICES
Type of Offer: OFFER - ONGOING

Id: FIN3006

INFORMATION SERVICES OPERATIONS

Budget Offer Summary:

Expenditure Summary

	2017	2018	Total
Ongoing-Sal/Ben	\$1,368,050	\$1,401,660	\$2,769,710
Ongoing-Others	\$1,338,430	\$1,338,700	\$2,677,130
OneTime-Sal/Ben	\$0	\$0	\$0
OneTime-Others	\$3,600	\$0	\$3,600
TOTAL	<u>\$2,710,080</u>	<u>\$2,740,360</u>	<u>\$5,450,440</u>
FTEs	9.350	9.350	

Information Services Operations

FIN3006

City government is responsible and responsive to its residents and businesses

Measure: % of Community responding positively regarding satisfaction with City Services

So that

Our customers can effectively and efficiently deliver services to their customers

Measure: % of customers satisfied with the capability and reliability of the IT Infrastructure

So that

Our customers have a reliable platform for their business systems

Measure: Number of monthly incidents reported as a result of IT Infrastructure and Enterprise Systems

So that

Information Services Operational Support

Measure: # of incidents related to infrastructure downtime

Measure: % of time IS meets Service Level Agreements (SLA)

Measure: % of sites with high speed connections

Performance Measure	Actual			Target		
	2013	2014	2015	2016	2017	2018
Percentage of time IS meets SLAs	N/A	N/A	85	90	90	90
Percentage of sites with high speed connections	14 of 31	16 of 31	21	21	29	29
Number of incidents related to infrastructure downtime	N/A	N/A	14	24	24	24
Percentage of customers satisfied with the capability and reliability of the IT Infrastructure (new measure based on City Internal survey)*	N/A	N/A	N/A	80	80	80

BUDGETING BY PRIORITIES

BUDGET OFFER

RESPONSIBLE GOVERNMENT

Department Name: FINANCE & INFORMATION SERVICES
Type of Offer: OFFER - ONE TIME ONLY

Id: FIN3016

STRATEGIC SYSTEMS INVESTMENTS - NEW

Description:

What: The Strategic Investments Offer provides funding for the identification and implementation of significant and new information technology designed to improve the operation of City departments. Funding from previous offers has been used to select and implement a Financial System, Land Management system, Enterprise Asset Management system, Physical Security system, Information Technology Disaster Recovery planning and Wi-Fi within all City buildings to name a few. Once implemented, the funding for ongoing operation of these systems is supported in departmental budget offers. This biennium the offer focuses on expanding the City's high-speed fiber-optic network, extending the City's security system to additional City facilities and enhancing the City's effort to create a robust records management program in compliance with Washington State Public Records Act.

The offer is a collaborative request from Fire, Parks, Finance, Traffic Operations and Information Services. The investments listed below will be reviewed, approved and prioritized by the Information Technology (IT) Governance Committee prior to expending any funds or effort. The IT Governance Committee may determine that an as yet undefined technology investment will more effectively advance the priorities of the City and has the discretion to allocate all or part of this funding to that investment instead of, or in addition to, those identified below.

Why: The primary purpose of this offer is to ensure there are funds available to expand the City's technology and business systems investments. Making these investments ensures the City can meet the expectations of its customers and continue to deliver high quality service now and into the future. Improvements in the speed and reliability of the network infrastructure will help Fire, Parks and Traffic Operations deliver their services more efficiently and reduce their carbon footprint by spending less time traveling between locations. Expansion of the City's security system will create safer facilities for all those who work and play in them. Records management is mandated by State law. However, providing the City's customers with a transparent government builds trust throughout the community and significantly reduces the risk the legal action.

This offer supports the Responsible Government priority. Leveraging our existing fiber infrastructure and expanding it out to Fire stations and Parks demonstrates fiscally responsibility as it reduces the cost of traveling between locations and the ongoing costs for high-speed telephone lines going into those facilities. Customers receive a higher quality of service as a result of quicker response to requests. High-speed connectivity facilitates collaboration using tools such as Skype to interact with coworkers or customers in other locations.

Quality Service is addressed with the expansion of the security system by ensuring customers have a positive experience when visiting City locations knowing that the City takes their safety seriously. This also speaks to the Safety priority, Purchasing Strategy 2 which states that security of our facilities is a proactive approach to preventing safety issues.

This offer also supports the Clean and Green priority Purchasing Strategy 1 which requests offers that demonstrate the reduction of negative impacts to our environment as a result of reducing the number of trips between locations thereby reducing fuel costs and consumption and, ultimately, our carbon footprint.

Who: All City staff benefit directly or indirectly from improvement in productivity, connectivity and safety that the proposed solutions bring. Additionally, the staff that are responsible for delivery of citizen-facing services benefit because they are able to offer a more robust service to their customers.

Id: FIN3016

BUDGETING BY PRIORITIES

BUDGET OFFER

RESPONSIBLE GOVERNMENT

Department Name: FINANCE & INFORMATION SERVICES
Type of Offer: OFFER - ONE TIME ONLY

Id: FIN3016

STRATEGIC SYSTEMS INVESTMENTS - NEW

Results:

Legend of Service Level Descriptions:

None - Service not provided

Reactive - Service issues are addressed only as they arise

Managed - Use of a planned approach to meeting defined service levels

Proactive - Strategic approach with focus on promoting efficient and high quality services and programs

Comprehensive - Integrated approach across multiple business lines to best achieve the City's vision and mission

Above Baseline: This offer provides a *proactive* means for funding investments in information and communication technologies that continue to improve and advance the City's use of technology to deliver high quality services. Proposed investments pending IT Governance Committee review include:

Improvement and Expansion of the City's fiber-optic network

The City's fiber optic network has been built out over a number of years led by Traffic Operations in collaboration with Information Services, Lake Washington School District, King County and, most recently, the Community Connectivity Consortium, an organization comprised of cities, school districts, hospitals and universities through King County and expanding south into Pierce County. Funding this offer will continue the build out of this network for current and future needs. Productivity of staff will improve with immediate access to systems and information on the City's network while working in the field. Staff working in remote locations will have less need to travel to other City facilities given access to a higher speed network that will provide improved communication and access to a variety of virtual training options.

Implement a Fiber connection from NE 116 St to NE 124 St along Willows Rd

Traffic Operations has the responsibility of managing and maintaining the City's Intelligent Transportation System (ITS) which communicates over copper cables and the City's fiber optic network to time traffic signals and move people around in a predictable manner. Creating this new connection will enhance the fiber optic network and improve the reliability of the system along the Willows Road corridor benefiting all those who travel along that roadway. Connecting to the existing fiber network at 124th will provide a network path to Redmond-Woodinville Road creating an alternative path for traffic signals and other City communications in the event there's an outage on either Willows or Redmond-Woodinville Road.

Expand the City's fiber-optic network to Fire Stations 13, 14, 16 and 18

Fire has been working in partnership with Information Services in an effort to leverage technology to enhance operations and improve communications. High speed network connectivity will support virtual meetings and online training opportunities that cannot be met with the current network speeds in these locations. Keeping crews in stations will have a positive impact on response metrics, reduce travel time and associated costs and help Fire meet its contractual obligations with Fire District 34,

Expansion of the City's Security System to Additional Locations

Security of the City's facilities has become increasingly important due to the many incidents of violence that have occurred throughout the country. In 2015, City staff from Public Works, Police, Information Services and the water utilities began the replacement of the existing physical security system operating at City Hall, the Maintenance and Operations Center, the City's water sites and the Public Safety Building. This additional funding will expand the system to Fire Stations, the Old Redmond Schoolhouse Community Center, the Teen and Senior centers and the Redmond pool. The new system provides a higher level of visibility to security alerts, is flexible in managing the security of doors or a

Id: FIN3016

BUDGETING BY PRIORITIES

BUDGET OFFER

RESPONSIBLE GOVERNMENT

Department Name: FINANCE & INFORMATION SERVICES
Type of Offer: OFFER - ONE TIME ONLY

Id: FIN3016

STRATEGIC SYSTEMS INVESTMENTS - NEW

given set of doors allowing access changes to be made in advance or on demand and provides an audit trail of all activity including changes made within the system and attempted and granted access to secure doors. Not only will this serve to protect City staff but the many visitors these buildings receive and serve on a daily basis.

Records Management Program

The number of requests for public records continues to increase placing a strain on the City to respond within legal requirements. This funding would allow the scope of the Police Department records management system replacement project (funded last budget cycle) to be expanded to include a new implementation in all other City departments. Ongoing costs for storage of records beyond retention requirements could be reduced along with a reduction in electronic storage space and associated costs when records are purged from the City's systems.

Ongoing support for the investments implemented in this offer must be provided by staff funded in the Information Services Operations offer #3006. The Strategic Systems Investment offer should not be funded if offer #3006 is scaled down by 6% or more. Information Services will not have the resources to handle the additional workload.

Below Baseline:

- o 2% Scalability-A reduction of \$38,800 could be applied to one or more of the proposed projects in the list.
- o 3% Scalability-A reduction of \$58,200 could be applied to one or more of the proposed projects in the list.
- o 6% Scalability-A reduction of \$116,400 could be applied to one or more of the proposed projects in the list.

In all cases that would mean the proposed technology investment would be reduced, eliminated or delayed.

Budget Changes:

No change in program.

Budget Offer Summary:

Expenditure Summary

	2017	2018	Total
Ongoing-Sal/Ben	\$0	\$0	\$0
Ongoing-Others	\$0	\$0	\$0
OneTime-Sal/Ben	\$0	\$0	\$0
OneTime-Others	\$970,000	\$970,000	\$1,940,000
TOTAL	<u>\$970,000</u>	<u>\$970,000</u>	<u>\$1,940,000</u>
FTEs	0.000	0.000	

Strategic Systems Investments FIN3016

Citizens have a City government that is responsible and responsive to its residents and businesses

Measure: Percent of Community responding positively regarding satisfaction with City Services

So that

Micro-businesses within the City have the tools to improve their service delivery

Measure: Percent of customers reporting improved service delivery as a result of previous investments

So that

The City can remain on the forward edge of the technology curve

Measure: Percent of enterprise systems at current release version

So that

Invest in large, enterprise-wide information technology systems

Measure: Number of active investments in information technology systems

Performance Measure	Actual				Target		
	2013	2014	2015	2016	2017	2018	
Number of active investments	N/A	N/A	3	3	3	3	
Percent of enterprise systems at current release version	N/A	N/A	95	95	95	95	
Percent of customers reporting improved service delivery as a result of previous investments	N/A	N/A	85	85	85	85	
Percent of community responding positively regarding satisfaction with City services	N/A	N/A	90	90	90	90	

BUDGETING BY PRIORITIES

BUDGET OFFER

RESPONSIBLE GOVERNMENT

Department Name: FINANCE & INFORMATION SERVICES
Type of Offer: OFFER - ONGOING

Id: FIN3020

SERVICE DESK AND PRINT SHOP

Description:

What: The Service Desk provides a way for City Staff to report Information Services (IS) related issues and make requests for IS services. It is the single "Front Door" to Information Services and its function is to ensure that City staff gets the services and support they need when they need it. The Service Desk processed 8,346 work orders in 2015 (over 700 requests per month) for repairs and service requests and resolved 25% of the issues without escalation to other IS groups. As of end of April 2016, almost 4,000 work orders have come into the service desk.

In order to serve our customers better, IS transformed our former IS Help Desk into a customer centric Service Desk during the 2015-2016 budget period. The Service Desk is staffed by customer service representatives who act as the voice of the customer and holds the rest of the IS organization accountable to meeting our customer's expectations. We have increased our customer's satisfaction by providing a menu of services available, creating clear procedures for requesting services, providing expected delivery dates, giving timely updates on requests and delivering a high quality product.

Below are the results from our customer service satisfaction survey for 2015. (1-poor, 5- excellent)

Overall customer service experience - 4.8/5.0

Timeliness of the delivery of the requested service - 4.6/5.0

Quality of the production that was delivered - 4.7/5.0

Communication with the technician - 4.8/5.0

The Service Desk is responsible for:

- o Answering phones and emails;
- o Work Order Management - in-take, assignment, monitoring, reporting and close-out;
- o Incident Management;
- o Troubleshooting routine issues and providing how-to's;
- o Printers/Copier Vendor Management;
- o Conference Room and Council Chambers AV equipment operation;
- o Security Key Card Management;
- o Performance Measurement for IS; and
- o Operation of the Print Shop.

Why: The Service Desk exists so that staff can report issues and make service requests to get their software and hardware fixed and/or the service request filled in a timely manner, enabling them to return to work quickly.

- o **Fiscal Responsibility** - The Service Desk contributes to being fiscally responsible by helping staff get their issues resolved in a timely fashion so that they can return to being productive as soon as possible enabling us to minimize staff downtime costs;
- o **Quality Service** - The Service Desk helps set expectations and then ensures that the appropriate person is assigned to work on the issue or fulfill the request; and

Id: FIN3020

BUDGETING BY PRIORITIES

BUDGET OFFER

RESPONSIBLE GOVERNMENT

Department Name: FINANCE & INFORMATION SERVICES
Type of Offer: OFFER - ONGOING

Id: FIN3020

SERVICE DESK AND PRINT SHOP

- o **Effective and Accountable Leadership** - The Service Desk ensures that IS is being held accountable to the Service Level Agreements (SLA) we have established with our customers and that our customers' needs and expectations are being met. Our SLA includes incident response and resolution times: Priority 1: 15 minute response/2 hour resolution, Priority 2: 90 minute response/ 8 hour resolution and Priority 3: 4 hour response/5 day resolution.

Who: The Service Desk provides support to all City staff.

Results:

Legend of Service Level Descriptions:

None - Service not provided

Reactive - Service issues are addressed only as they arise

Managed - Use of a planned approach to meeting defined service levels

Proactive - Strategic approach with focus on promoting efficient and high quality services and programs

Comprehensive - Integrated approach across multiple business lines to best achieve the City's vision and mission

Baseline: The Service Desk offer currently provides a *managed* to *proactive* level of service. The baseline offer provides the resources necessary to intake, assign, monitor, report and close-out work orders Monday through Friday, 8:00 AM to-5:00 PM. The baseline offer includes two service desk technicians.

This offer also includes the equipment rental and contract staffing for the Print Shop which is operated Monday through Thursday, 9:00 AM to-3:00 PM and Friday 9:00AM to 2:00PM.

Below Baseline: Our service level for below baseline would stay at *managed* to *proactive* level of service for a 2-3% reduction but would fall to *reactive* to *managed* level of service at 6% reduction. We did not include any scalability in the Print Shop since we believe that the dollars would just be added to other offers with no net savings to the City.

2% Scalability (\$14,720) - This reduction would cut all of our travel and tuition (\$11,000). This would limit our ability to keep current with our tools and troubleshooting techniques possibly slowing down our average resolution time.

3% Scalability (\$22,080) - This reduction is equivalent to (0.25) FTE of a Service Desk position. If this reduction is taken, we would not have sufficient staffing to cover lunch/vacation/sick absences. We would have to rely on other IS staff to cover those duties which would impact their ability to deliver their core services. Alternatively, we could choose not to cover the Service Desk during those times, which would result in work orders not being processed and staff waiting longer to have their issues resolved. In addition, the reduction would slow our progress on developing SLA's, Root-Cause and How-To analyses, which are being developed to increase efficiency and increase customer satisfaction.

6% Scalability (\$44,161) - This reduction is equivalent to (0.50) FTE of a Service Desk position. If this reduction is taken, we would not have sufficient staffing to cover lunch/vacation/sick absences. We would have to rely on other IS staff to cover those duties which would impact their ability to deliver their core services. Alternatively, we could choose not to cover the Service Desk during those times, which would result in work orders not being processed and staff waiting longer to have their issues resolved. In addition, the reduction would slow our progress on developing SLA's, Root-Cause and How-To analyses, which are being developed to increase efficiency and increase customer satisfaction.

Id: FIN3020

BUDGETING BY PRIORITIES
BUDGET OFFER
RESPONSIBLE GOVERNMENT

Department Name: FINANCE & INFORMATION SERVICES
Type of Offer: OFFER - ONGOING

Id: FIN3020

SERVICE DESK AND PRINT SHOP

Budget Changes:

No change in program.

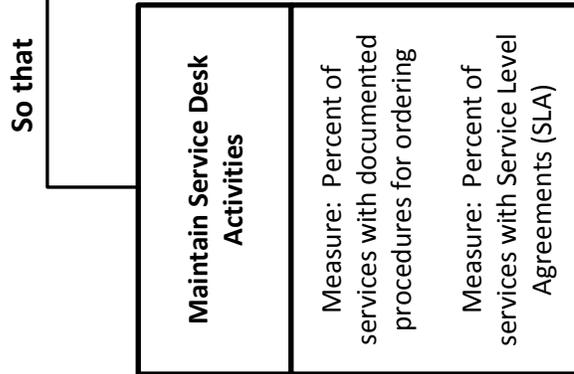
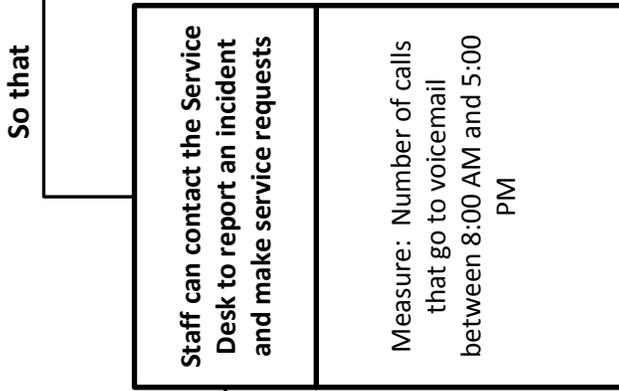
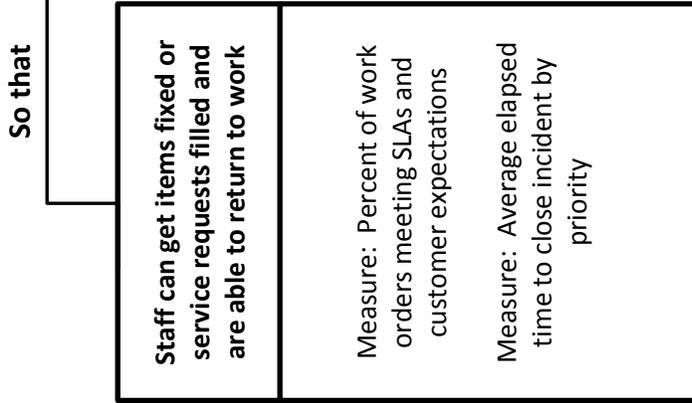
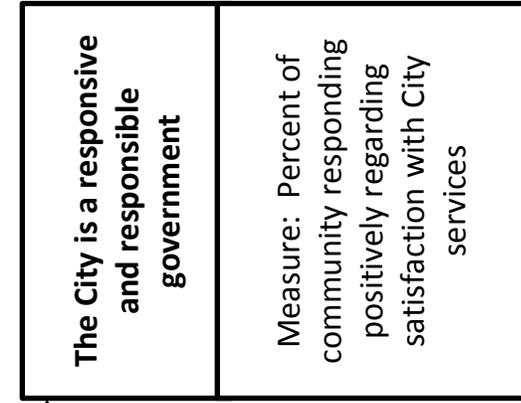
Budget Offer Summary:

Expenditure Summary

	2017	2018	Total
Ongoing-Sal/Ben	\$254,328	\$260,700	\$515,028
Ongoing-Others	\$100,000	\$100,000	\$200,000
OneTime-Sal/Ben	\$0	\$0	\$0
OneTime-Others	\$0	\$0	\$0
TOTAL	<u>\$354,328</u>	<u>\$360,700</u>	<u>\$715,028</u>
FTEs	2.500	2.500	

Service Desk and Print Shop - IS

FIN3020



So that

So that

So that

Performance Measure	Actual			Target		
	2013	2014	2015	2016	2017	2018
Percent of services with documented procedures (NEW – 2015-2016)	N/A	N/A	N/A	0%	25%	50%
Percent of services with SLA (NEW– 2015-2016)	N/A	1%	1%	5%	10%	15%
Number of calls that go to voicemail between 8:00 AM and 5:00 PM (NEW– 2015-2016)	N/A	N/A	51	52	52	52
Percent of work orders meeting SLA's (NEW– 2015-2016)	N/A	N/A	80%	90%	90%	90%
Average elapsed time to close incidents (hours) (NEW– 2015-2016)	N/A	N/A	18	8	8	8

BUDGETING BY PRIORITIES

BUDGET OFFER

RESPONSIBLE GOVERNMENT

Department Name: FINANCE & INFORMATION SERVICES
Type of Offer: OFFER - ONGOING

Id: FIN2989

RISK MANAGEMENT

Description:

What: Risk Management includes City insurance and other costs for property and liability risks as well as the management of claims. Claims can be claims against the City by an outside party, claims by the City against an outside party (for property damage to a park, for example) or claims within the City (for repair of vandalism within a park, for example). This offer includes resources to purchase insurance, pay claims, pay litigation and investigation costs as well as related staff salaries.

Why: The purpose of the Risk Management offer is to protect the City from any unnecessary loss of scarce community resources. Protecting City assets is consistent with good stewardship and being fiscally responsible to the community that paid for these assets. The Risk Management program preserves City investments (including buildings, vehicles, employees, property and monetary funds). These programs also protect the City from catastrophic loss, reduce avoidable injuries and claims, ensure compliance with related state and federal laws, as well as enhance employee and citizen confidence in the City's ability to responsibly manage resources. This helps to contain the cost of City programs by reducing losses thereby reducing the cost of City government.

Who: Risk Management's direct customers include claimants and City staff involved with resolving incidents. The indirect customers are the Redmond community who benefit when the City's safety and loss prevention programs result in smaller losses of public assets from accidents and incidents. Stakeholders include others involved in resolving disputes and incidents.

Results:

Legend of Service Level Descriptions:

None - Service not provided

Reactive - Service issues are addressed only as they arise

Managed - Use of a planned approach to meeting defined service levels

Proactive - Strategic approach with focus on promoting efficient and high quality services and programs

Comprehensive - Integrated approach across multiple business lines to best achieve the City's vision and mission

Baseline: Our baseline level of service is *proactive* and provides the City with the following:

- o Total claims, defense costs, insurance and related costs are minimized;
- o Preventable claims are reduced, eventually to zero;
- o Claims and defense costs are contained;
- o Debrief of incidents reduces repeat of similar incidents;
- o Legal defenses are managed for effectiveness; and
- o Number of claims filed.

To date, we have worked with departments to learn from the incidents which have cost the city money by sharing information, working with the city safety committees and publishing a dashboard of relevant performance measures. While trends have not improved dramatically, the city has traditionally had a very good track record in managing these risks - which continues through today.

Id: FIN2989

BUDGETING BY PRIORITIES

BUDGET OFFER

RESPONSIBLE GOVERNMENT

Department Name: FINANCE & INFORMATION SERVICES
Type of Offer: OFFER - ONGOING

Id: FIN2989

RISK MANAGEMENT

Please note: The \$990,292 one-time budget request will recognize the currently existing reserves and move them into the next budget biennium. These reserves provide for deductible payments, unusual legal expenses, and claims / judgments that would not be covered by insurance.

Above Baseline: No increases to this program are proposed.

Below Baseline: 2% Scalability (\$63,581); 3% Scalability (\$95,373); 6% Scalability (\$190,745)

The Risk Management program is designed to find the best balance between minimizing risk exposure and the cost of the program. Therefore reductions in expense are a tradeoff between costs and increased potential liability. Higher potential liability could result in greater costs to the City (if losses exceed deductible levels) than the savings they achieve initially. Reductions would be gained through higher deductible and self-insurance levels and a more aggressive risk posture. It is difficult to quantify the trade-off in premiums for higher deductible amounts without a market analysis which is subject to change.

Budget Changes:

No change in program.

Budget Offer Summary:

Expenditure Summary

	2017	2018	Total
Ongoing-Sal/Ben	\$60,952	\$62,334	\$123,286
Ongoing-Others	\$1,006,950	\$1,058,560	\$2,065,510
OneTime-Sal/Ben	\$0	\$0	\$0
OneTime-Others	\$0	\$0	\$0
TOTAL	<u>\$1,067,902</u>	<u>\$1,120,894</u>	<u>\$2,188,796</u>
FTEs	0.500	0.500	

Risk Management

FIN2989

The "Price of Government" remains as low as possible

Measure: Price of Government is less than historical (10 year) average

Measure: Percent of the Price of Government attributable to risk management costs

So that

City resources are not used for non-value added purposes

Measure: Total claims, defense costs, insurance and related costs are minimized

Measure: Preventable claims are reduced, eventually to zero

So that

Claims are paid and related costs are managed as effectively and efficiently as possible

Measure: Claims and defense costs are contained

Measure: Debrief of incidents reduces repeat of similar incidents

Measure: Legal defenses are managed for effectiveness

So that

Insurance is purchased, claims are managed and safety programs are implemented to reduce risks to City resources

Measure: Number of claims filed

Measure: Number of insurance policies maintained

Measure: Cost of insurances

Performance Measure	Actual				Target		
	2013	2014	2015	2016	2017	2018	
Price of Government attributable to risk management	.0226%	.0295%	.03426%	.0224%	.0222%	.0222%	
Total claims and related costs as percent of budget	.37%	.35%	.43%	.30%	.25%	.25%	
Preventable claims (\$000)	\$45.3	\$86.8	\$74.6	\$25	\$20	\$10	
Total claim and legal defense costs (\$000)	\$198	\$184	\$285	\$100	\$90	\$80	
Number of claims filed	122	143	171	115	110	100	

BUDGETING BY PRIORITIES

BUDGET OFFER

RESPONSIBLE GOVERNMENT

Department Name: HUMAN RESOURCES
Type of Offer: OFFER - ONGOING

Id: HUM3014

SAFETY & WORKERS' COMPENSATION PROGRAMS

Description:

What: Workplace safety is facilitated by a 1.00 FTE in the Human Resources department, and claims are administrated by a third-party vendor. An important aspect of a fiscally responsible government is a safe work environment that contributes to employee efficiency and effectiveness. This is accomplished by creating a workplace environment where employees improve individual work performance and provide quality customer service through safe practices. The Safety and Workers' Compensation Programs offer is funded through Workers' Compensation payments paid by each Department for each employee.

Why: The City has a legal mandate to ensure employee safety and provide injury coverage for its workers. The safety and well-being of City employees is a collective and ethical responsibility for each City department. The City also has a fiscal responsibility to manage its Workers' Compensation expenses with appropriate fiduciary oversight. The City of Redmond meets this responsibility by training its employees in safe work practices and self-insuring its claim expenses related to work injuries. The City work-related injury claims are administered by the third-party vendor, Penser North America.

In 2013, the City had an actuarial study performed to better understand our future costs for Workers' Compensation. The recommendation was to remain self-insured and to consider increasing funding levels for Workers' Compensation. The recommendations were incorporated into the results section below.

Choosing self-insurance allows the City to maintain fiscal responsibility of its Workers' Compensation program, including how risk is shared and minimized. The City also provides safety training to leverage the skills of its employees. This approach results in a safer and healthier workplace with increased employee safety and reduced costs. Results include lowered costs related to injuries and incidents when compared with similar municipal governments.

These programs contribute to fiscal stewardship by promoting safe work habits that lead to accident and injury prevention. Appropriate management and prevention of accidents and injuries contribute to employee well-being and morale, promotes employee retention and offers return to work options that minimize the impact on both employees and the City. The programs support customer service values by ensuring that employees are injury-free, work safely and are able to provide the best service to the citizens of Redmond.

Who: The customers of these programs are all City employees, elected officials and the tax payers of Redmond. The citizens of Redmond directly benefit from a healthy and safe work force that is free from injury and work-related occupational disease, because safe and healthy City employees are able to provide effective and efficient City services.

Results:

Legend of Service Level Descriptions:

None - Service not provided

Reactive - Service issues are addressed only as they arise

Managed - Use of a planned approach to meeting defined service levels

Proactive - Strategic approach with focus on promoting efficient and high quality services and programs

Comprehensive - Integrated approach across multiple business lines to best achieve the City's vision and mission

Id: HUM3014

BUDGETING BY PRIORITIES

BUDGET OFFER

RESPONSIBLE GOVERNMENT

Department Name: HUMAN RESOURCES
Type of Offer: OFFER - ONGOING

Id: HUM3014

SAFETY & WORKERS' COMPENSATION PROGRAMS

Baseline: Human Resources works cross-departmentally to develop programs to ensure legal compliance and appropriately allocate resources. In this role, Human Resources staff members manage, oversee and coordinate the following programs:

Safety Programs: Staff members develop and administer a comprehensive safety program that includes not only safety training, but also pre-employment screens, Commercial Driver License (CDL) physicals, random drug testing for CDL drivers and audiology testing. The structure and focus of this program is determined by needs as well as State and Federal mandates. The program consists of training, accident/injury reporting and work practice reviews focused on safety and preventing injury. Safety training is designed to meet the needs of each department.

Workers' Compensation: The City of Redmond must comply with the State requirements for Workers' Compensation. The City of Redmond chooses to self-insure the program and, through a third-party vendor, manages these benefits and the funding for this program. Staff members track claims, manage program related costs, maintain records, coordinate return to work and ensure legal compliance.

The projected cost for Workers' Compensation is \$194,410 annually. This cost is newly added to the baseline budget and includes reserves (listed as "one-time" expenditures) to maintain fiscal responsibility and ensure that services and programs are funded at the appropriate level. If funded at the baseline, the City continues to provide the same level of safety training and the funding for Workers' Compensation aligns with the program costs in 2015 and 2016. The new beginning balance reflects this amount.

Below Baseline:

2% Scalability - A 2% budget reduction of \$65,556 results in the loss of a portion of a full-time employee through salary and benefits. Staff responsibilities must be redirected and the ability of the Human Resources Department to coordinate, develop and manage the safety training program is impacted. The City third-party vendor may need to handle claims more directly with less oversight from the City due to increased staff workloads.

3% Scalability - A 3% budget reduction of \$98,333 results in the loss of a greater portion of the salary and benefits for a full-time employee, with the same need to redirect staff and third-party administrator responsibilities as listed above. This reduction also eliminates a portion of the safety services such as commercial driving testing, audiology testing and random drug testing. In order to comply with legal responsibilities of having and maintaining Worker's Compensation and Safety programs, the reduction to these services in Human Resources must be absorbed by City departments.

6% Scalability - A 6% budget reduction of \$196,667 results in the elimination of a full-time employee, with the same need to redirect staff and third party administrator responsibilities as listed above. This reduction also eliminates the safety services such as commercial driving testing, audiology testing and random drug testing. These services must be decentralized and taken over by City departments; thereby resulting in the program not following Lean principles. In addition to losing the safety program, this reduction amount also eliminates the funds set aside for the medical charges for Labor and Industries claims. As an alternative to eliminating a full time employee, the City may choose to not hold excess insurance coverage (annual premium of \$111,290). Excess insurance is extremely important as it covers the City in the event of a catastrophic claim that exceeds \$500,000 and reduces the City's liability.

Id: HUM3014

BUDGETING BY PRIORITIES
BUDGET OFFER
RESPONSIBLE GOVERNMENT

Department Name: HUMAN RESOURCES
Type of Offer: OFFER - ONGOING

Id: HUM3014

SAFETY & WORKERS' COMPENSATION PROGRAMS

Budget Changes:

No change in program.

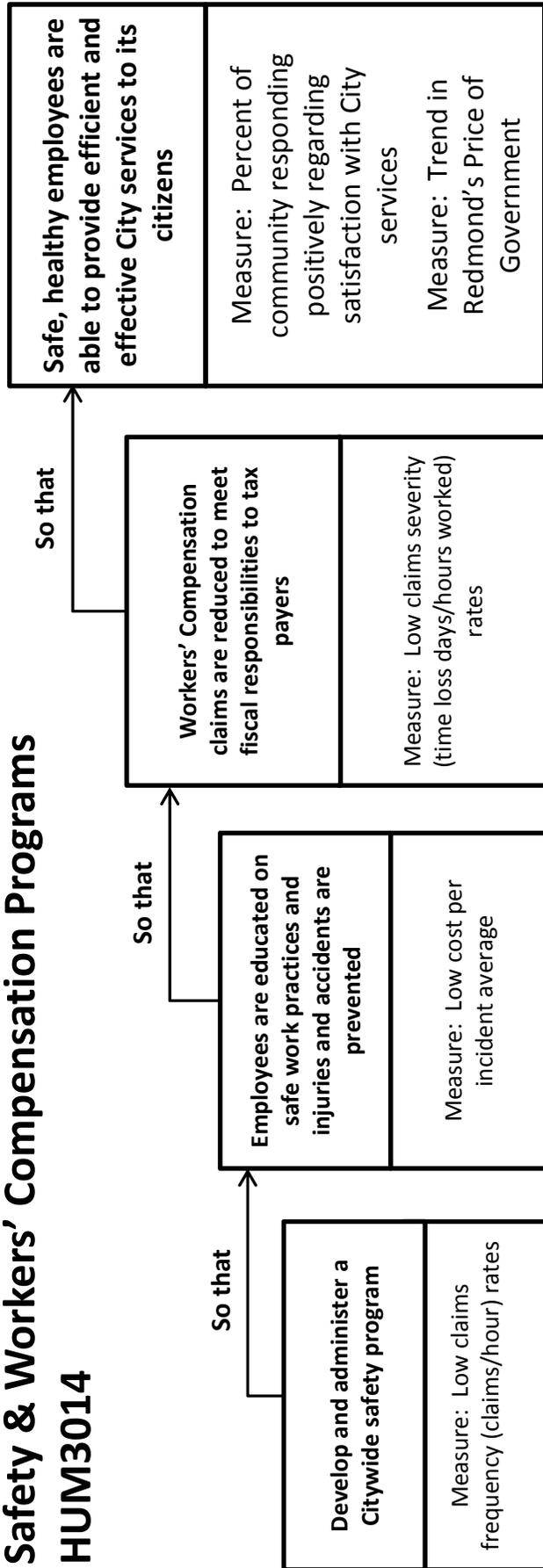
Budget Offer Summary:

Expenditure Summary

	2017	2018	Total
Ongoing-Sal/Ben	\$132,280	\$135,370	\$267,650
Ongoing-Others	\$820,785	\$788,505	\$1,609,290
OneTime-Sal/Ben	\$0	\$0	\$0
OneTime-Others	\$0	\$681,387	\$681,387
TOTAL	<u>\$953,065</u>	<u>\$1,605,262</u>	<u>\$2,558,327</u>
FTEs	1.000	1.000	

Safety & Workers' Compensation Programs

HUM3014



Performance Measure	Actual			Target		
	2013	2014	2015	2016	2017	2018
Redmond's claims frequency (claims/hour) rates are lower in comparison to available and relevant benchmarks, as defined by Washington State Department of Labor and Industries and other publications	.0000496 (59 claims/ 1,189,105 hours)	.000045 (51 claims/ 1,136,947 hours)	.000046 (58 claims/ 1,270,075 hours)	TBD*	TBD*	TBD*
Redmond's claims severity (time loss days/hours worked) rates are lower in comparison to available and relevant benchmarks, as defined by Washington State Department of Labor and Industries and other publications	.00051 (608 time loss days/ 1,189,105 hours)	.00036 (407 time loss days/ 1,136,947 hours)	.00074 (945 time loss days/ 1,270,075 hours)	TBD*	TBD*	TBD*
Redmond's cost per incident is lower in relation to the statewide average as defined by Washington State Department of Labor and Industries and other publications	\$5,199	\$2,805	\$2,009	TBD*	TBD*	TBD*

*Note: There is a lag time of six to nine months so each year's statistics regarding workplace injuries have not yet been compiled by the State Government.

BUDGETING BY PRIORITIES

BUDGET OFFER

RESPONSIBLE GOVERNMENT

Department Name: HUMAN RESOURCES
Type of Offer: OFFER - ONGOING

Id: HUM3017

HUMAN RESOURCES

Description:

What: The Human Resources (HR) Department develops and manages programs designed to attract and retain effective and accountable leaders (leaders). The HR Department supports the factors of Fiscal Responsibility and Quality Service by focusing on attracting and retaining employees with the vision, knowledge, skills and abilities needed to deliver effective and accountable leadership (leadership).

Why: The HR Department works collaboratively with all departments to recruit and retain talented leaders. To achieve this, HR staff provide a full scope of in-house consulting services and expertise. These services are designed to ensure diversity, maintain legal compliance as well as emphasize and develop the traits, characteristics and leadership skills needed to reinforce City values and implement the high performing work culture that Redmond is cultivating. In support of the effort to attract and retain leaders, HR maintains a comprehensive, competitive compensation and benefits program. The compensation and benefits program ensures fiscal accountability through labor market studies and thorough program evaluation, which enables the City to adapt to the changing job market.

HR also develops and delivers training designed to support City employees in delivering quality services and communicating with and engaging the Redmond community. Through these communications, connections are established, information is openly shared and community priorities are clarified. The training programs focus on customer service, leadership, process improvement, communications and supervisory skills. HR staff engage in cross-department alliances, work collaboratively and act as a resource to both managers and employees in identifying workplace issues, investigating concerns and promoting organizational values. Ongoing analysis and research is conducted to ensure that programs and policies are legally compliant and fiscally sound. Programs managed by the HR Department align organizational priorities, create a connected workforce, effectively manage HR dollars and reduce liabilities.

Who: The customers for the programs developed and managed by the HR Department are City employees, managers, elected officials, potential job applicants and the citizens of Redmond.

Results:

Legend of Service Level Descriptions:

None - Service not provided

Reactive - Service issues are addressed only as they arise

Managed - Use of a planned approach to meeting defined service levels

Proactive - Strategic approach with focus on promoting efficient and high quality services and programs

Comprehensive - Integrated approach across multiple business lines to best achieve the City's vision and mission

Baseline: HR currently takes a *comprehensive* approach to developing and managing programs to attract, hire, develop and retain leaders. Programs included in this offer are the following:

Recruitment and Selection - HR staff guide and oversee all recruitment and selection processes and make decisions and recommendations regarding marketing and advertising for open positions. HR staff also work with hiring managers to develop screening and selection tools. This program includes onboarding of new employees.

Id: HUM3017

BUDGETING BY PRIORITIES

BUDGET OFFER

RESPONSIBLE GOVERNMENT

Department Name: HUMAN RESOURCES
Type of Offer: OFFER - ONGOING

Id: HUM3017

HUMAN RESOURCES

Benefits, Wellness and Compensation - Compensation, benefit and wellness programs are developed and managed by HR; these comprehensive programs consist of salary plans, classification maintenance, healthcare, wellness, the Municipal Employees' Benefits Trust (MEBT), life insurance, deferred compensation and retirement. This work program includes labor market studies and job analysis.

Training and Organizational Development - HR creates and maintains strategic Citywide training and development programs that support the mission, vision and values of the City, in addition to providing mandatory trainings for legal compliance. HR staff provide consulting assistance with departmental change initiatives and develop training programs specifically designed to meet organizational needs (i.e. Leadership Academy, Crucial Conversations, Performance Management, etc.).

Employee and Labor Relations - HR develops, implements and oversees the City's relations with the non-represented and represented employee groups in six bargaining units. This includes research and evaluation of bargaining proposals, management and negotiation of labor agreements and resolution of grievances, in addition to issues with work performance and conflicts.

Policy Administration - HR ensures the creation and implementation of programs, policies and procedures that support and promote leadership. HR staff advise the organization on performance management, policy interpretation and legal compliance.

Demonstrating Efficiencies: In an effort to create efficiencies, increase capacity and improve the level of service to our customers we have begun to utilize the Lean practices within the City. The hiring process recently went through a Lean evaluation and has decreased the average number of days to fill a vacancy from 140 to 72. The next process to go through a Lean evaluation will be the onboarding process. Additionally, funds (\$60,000) for the annual licensing of our software program that automates the hiring, onboarding and performance evaluation processes (NEOGOV) will be paid out of the HR budget this biennium rather than coming out of Information Services budget.

Lastly, we currently have two full-time HR Analyst positions (1.0 HR Analyst and 1.0 Senior HR Analyst). The incumbents in those positions are working part-time and only using a portion of those full-time equivalent (FTE) positions. We would like to take the remaining vacant portions of those FTEs and fill them as a part-time (0.70) Administrative Assistant. By doing this, it would increase HR's FTE count by 0.2125, however, due to the difference in level of classification and pay between the HR Analysts and an Administrative Assistant this would not increase our budgeted salaries at all.

Above Baseline: To better maintain HR's *comprehensive* service level, an increase of funds in the amount of \$18,039 for the biennium would allow HR to increase the Administrative Assistant FTE mentioned in the baseline above to a full-time (1.0) FTE. This position would be responsible for:

- o Recruitment Process Records Archiving - In 2013 HR opened 81 processes for recruitment. Last year (2015) there were 115 processes opened. Each one of these processes goes through an archival procedure for records retention purposes. Due to the increased number of recruitments (a trend that we anticipate will continue to increase), the capacity for staff to keep up with the archival process has been decreased.

Id: HUM3017

BUDGETING BY PRIORITIES

BUDGET OFFER

RESPONSIBLE GOVERNMENT

Department Name: HUMAN RESOURCES
Type of Offer: OFFER - ONGOING

Id: HUM3017

HUMAN RESOURCES

- o Records Requests - HR received 32 records requests in 2015. These requests were time intensive and complex. The Public Records Act mandates a timely response and our ability to balance responsiveness to these requests, while continuing to work on department priorities has been negatively impacted by the volume of requests. This position would be responsible for responding to records requests, allowing other staff to focus on their usual duties which in turn increases department efficiency.
- o Onsite/Offsite Records Storage Management - Currently HR has 378 boxes we are storing offsite (costing approximately \$2,300 per year). This position would be responsible for reviewing these records for retention or destruction according to the retention schedule; this position would enable us to reduce the number of boxes and the cost of our offsite records storage, in addition to ensuring compliance to records retention laws.
- o Training Records -This position would be responsible for maintaining consistent tracking procedures for required trainings.
- o Affordable Care Act (ACA) Tracking - This increase in FTE would support the City's compliance and tracking efforts with regard to the ACA.

Below Baseline:

2% Scalability (\$69,549) - We are using the difference in salaries from changing a partial HR Analyst and Senior HR Analyst to an Administrative Assistant as mentioned in our baseline. This amount equates to \$23,654. The remaining scalability would come from funds that have supported recognition programs, training programs, professional services and legal costs. With the loss of these funds, HR would move to a more *proactive* service level.

3% Scalability (\$104,324) - This will result in the reductions outlined above (the 2% scalability) plus additional training program funds, additional legal funds and the elimination of part of an FTE. With the loss of these funds, HR would move to a *managed* approach. This reduction in funds would negatively impact the level of service we provide to employees and managers. For example, reduced training funds limit the offerings we are able to provide to employees, limits our ability to reinforce the City's culture and impacts succession planning.

6% Scalability (\$208,648) - This will result in above reductions (the 3% scalability) and a full-time position (1.0 FTE) would be eliminated. With the loss of a full-time employee, HR service level would decrease to *reactive*. The remaining HR staff will have less time to evaluate, analyze and research information needed to ensure that programs are competitive, legally compliant and/or fiscally sound. Services will be reduced and/or delayed, increasing City liability. The reduction will also impact the success of these programs in regard to attracting and retaining leaders. HR will not have the ability to evaluate and respond in a timely manner to requests for assistance and will have reduced capacity to assist managers with employee performance issues, grievances and complaints. Scalability may affect the Performance Measures as follows:

- o Average number of days to fill a vacancy will increase due to a reduction of staff, negatively impacting City departments;

Id: HUM3017

BUDGETING BY PRIORITIES

BUDGET OFFER

RESPONSIBLE GOVERNMENT

Department Name: HUMAN RESOURCES

Id: HUM3017

Type of Offer: OFFER - ONGOING

HUMAN RESOURCES

- o Percentage of new hires that are retained following their probationary period may decrease because less time can be spent guiding and overseeing the hiring process, making it less effective;
- o Percentage of performance reviews conducted on-time could decrease because we will not have capacity to monitor deadlines;
- o Turnover rate may increase due to limited HR programs and services which will negatively impact employees;
- o Percent of grievances not resolved before getting to the Mayor could increase because staff will not have time to respond to labor issues in a timely fashion; and
- o The cost trend of the RedMed medical plan could increase at a higher rate than comparable plans because of lower levels of implementation of the wellness program and other cost saving measures.

Budget Changes:

No change in program.

Budget Offer Summary:

Expenditure Summary

	2017	2018	Total
Ongoing-Sal/Ben	\$1,230,605	\$1,260,462	\$2,491,067
Ongoing-Others	\$493,206	\$493,208	\$986,414
OneTime-Sal/Ben	\$0	\$0	\$0
OneTime-Others	\$0	\$0	\$0
TOTAL	<u>\$1,723,811</u>	<u>\$1,753,670</u>	<u>\$3,477,481</u>
FTEs	10.538	10.538	

Human Resources HUM3017

So that

Human Resources develops and manages the following programs:

- Recruitment & Selection
- Benefits & Compensation
- Training & Organizational Development
- Employee & Labor Relations
- Policy Administration

Measure: Percent of new employees retained following their probationary period
Measure: Average number of days to fill a vacancy

So that

The City attracts, hires, develops and retains talented, effective and accountable leaders

Measure: Percent of performance reviews conducted on time
Measure: Turnover rate is better than the Milliman Public Sector average

So that

The City maintains a culture of fiscal responsibility, legal compliance and high performance

Measure: Low percentage of grievances that require resolution by the Mayor
Measure: The three-year cost trend of the RedMed plan is lower than the three-year average market cost trend identified by an independent actuary

The City provides excellent, cost-effective services to Citizens

Measure: Percent of community responding positively regarding satisfaction with City services
Measure: Trend in Redmond's Price of Government

Performance Measure	Actual			Target		
	2013	2014	2015	2016	2017	2018
Average number of days to fill a vacancy	140	113	72	67	67	67
Percent of new employees retained following their probationary period	96%	98%	90%	90%	90%	90%
Percent of performance reviews conducted on time	N/A	76.7%	83.1%	100%	100%	100%
City turnover rate is lower than benchmarks as defined by the Milliman Puget Sound Regional Salary Survey	3.52%**	7.69%	9.28%	TBD*	TBD*	TBD*
Percent of grievances resolved before getting to the Mayor (Changed/New)	N/A	N/A	N/A	90%	90%	90%
The three-year average cost trend of the RedMed Plan is lower than the three-year average market cost trend identified by an independent actuary	4.3%	5.5%	6.6%***	TBD*	TBD*	TBD*

*Note: Target data is currently not available. Data will not be available until each year has passed and the data has been compiled and analyzed by the Bureau of Labor Statistics as well as the City's actuary.

**Note: This measure was changed to use Milliman data in 2014. The 2013 data is based on the Bureau of Labor Statistics data.

***Note: This measure was changed from a five-year trend to a three-year trend in 2015.

BUDGETING BY PRIORITIES

BUDGET OFFER

RESPONSIBLE GOVERNMENT

Department Name: PUBLIC WORKS
Type of Offer: OFFER - ONGOING

Id: PW-2976

FLEET MANAGEMENT

Description:

What: The Fleet Management offer will ensure the City's (non-Fire) fleet will consist of vehicles and equipment that are well maintained, safe, reliable and available to City staff. Fleet is also charged with maintaining a constant supply of fuel for all Fire and non-Fire City vehicles 24/7 at the City's onsite fueling island. Fleet Services is made up of a team of fleet professionals that are responsive to their City staff customers while performing fiscally responsible fleet management practices. Fleet Services supports the Responsible Government factors by providing quality services from approachable, knowledgeable staff supporting the City's values of accountability and commitment to service.

Why: The ability of City staff to provide citywide services and respond to public safety emergencies is greatly dependent on the vehicles and equipment required to get them to their destination and perform their work. This allows for a natural collaboration between Fleet Services and the other City departments and is a direct correlation to the community's positive satisfaction level with City services. The City is also required to conform to EPA mandates at the City's fueling island by ensuring the on-site fueling operations meets regulatory compliance for clean air, leak detection and safety.

Who: Fleet Services' direct customers are all City employees who utilize vehicles or equipment to perform their jobs safely, effectively and efficiently. They may use these assets for responding to emergencies, as a mobile office, as a primary resource in their day-to-day jobs or on a more casual basis, such as occasionally needing a motor pool vehicle for a meeting outside of town. Because they are provided reliable, friendly and dependable Fleet services, City staff can continue to serve our ultimate customer, who is anyone who works, lives or plays in Redmond.

Results:

Legend of Service Level Descriptions:

None - Service not provided

Reactive - Service issues are addressed only as they arise

Managed - Use of a planned approach to meeting defined service levels

Proactive - Strategic approach with focus on promoting efficient and high quality services and programs

Comprehensive - Integrated approach across multiple business lines to best achieve the City's vision and mission

Baseline: With a *managed* approach, Fleet Services maintains the City's (non-Fire) fleet of 324 vehicles and heavy construction equipment and roughly 200 pieces of smaller equipment all valued at approximately \$10 million. Fleet Services adheres to manufacturer recommended preventative maintenance schedules, resulting in early identification of issues thus minimizing emergency or unscheduled downtime. The last time a service technician was added to Fleet Services was in 1991 and since then the City's fleet has more than doubled. Taking advantage of the ever changing efficiencies in vehicle technology and maintenance methods is one of the reasons city vehicles have been maintained by the same number of technicians up to this point. The baseline offer provides the means necessary to allow Fleet Services to continue supporting Redmond's citywide operations by providing fleet management services from acquisition to diagnosis, maintenance or repair, on through to the final disposition of the City's fleet of vehicles and equipment. The resulting outcome delivers the goal of Fleet Services which is to work collaboratively across all City departments to provide City staff with quality service balanced with responsible financial stewardship while upholding governing policies and regulations.

Id: PW-2976

BUDGETING BY PRIORITIES

BUDGET OFFER

RESPONSIBLE GOVERNMENT

Department Name: PUBLIC WORKS
Type of Offer: OFFER - ONGOING

Id: PW-2976

FLEET MANAGEMENT

As a first step towards a more *proactive* approach, Fleet Services is working with Fire to develop a citywide fleet management plan which will focus on operational and organizational efficiencies and establish a framework for decision-making, organizational structure, and business process improvements. The goal of the plan is to create transparency and consistency as well as optimize maintenance activities. Fleet Services is replacing its legacy fleet maintenance software with AssetWorks which will be used by both Fleet Services and Fire. AssetWorks will provide the technology and tools to assist in every aspect of vehicle management from cradle to grave, as well as provide a bridge for Fleet and Fire to collaborate on vehicle management.

For management of its overall operations, Fleet Services is currently focused on using the recommendations from the 2011 Fleet Study which was based on fleet industry best practices including:

- o ***Preventative Maintenance*** - To ensure reliability and availability of City vehicles, Fleet Services performs preventive maintenance practices that meet manufacturers' guidelines along with maintaining an inventory of frequently needed parts. An effective and efficient preventative maintenance program is critical to reducing vehicle downtime and maintenance costs, ensures safe and dependable vehicles and supports City staff productivity. It also lengthens vehicle lifecycles, increases residual values at the time of disposal and ensures vehicle readiness for responding to emergencies. These are all important aspects in making sure a vehicle is safe to drive and reaches its expected life. When the AssetWorks fleet management software is implemented in the later part of 2016, data collected from inspections will then be able to be used for prediction analysis to ultimately prevent or postpone equipment or component failure. This will allow the Fleet preventative maintenance program to take on more predictive maintenance activities shifting it to a *proactive* service level.
- o ***Utilization & Replacement Management*** - Utilization is the practice of making sure the vehicles and equipment in the fleet are being used at a level that supports their continued ownership by the City. The timely replacement of vehicles and equipment is a process that requires the ability to predict asset lifecycles based on costing information, utilization and asset age. Utilization is tied to replacement management and ensures the City achieves the highest level of benefits from its Fleet investments and that they are cost effective. Managing these two core areas properly, speaks directly with Fleet's financial accountability role in maintenance and capital costs management.
- o ***Procurements*** - The process for vehicle and equipment acquisition is a collaboration between Fleet Services and City departments. Fleet Services creates asset specifications by understanding the work to be performed and uses joint purchasing agreements to acquire assets that are appropriate and at the lowest cost, which supports fiscal responsibility and quality customer service.
- o ***Small Equipment Program*** - Fleet Services performs preventative maintenance and repairs to small engine equipment valued under \$5,000 that is used by City staff. The program is much like the services provided for large equipment and vehicles, focusing on efficiencies, safety, and preserving asset life.
- o ***Fuel Management*** - Fleet Services manages the fuel program which includes availability as well as City, State, Federal and local compliance measures at the City's fuel island. This service provides diesel, unleaded and propane autogas for all City vehicles and equipment. Propane autogas was recently added to the fuel program and is considered a "green" alternative fuel source which supports the City's Climate Action Plan Initiative. Propane has a lower price point per gallon than unleaded fuel and reduces vehicle emissions. Ten city vehicles

Id: PW-2976

BUDGETING BY PRIORITIES

BUDGET OFFER

RESPONSIBLE GOVERNMENT

Department Name: PUBLIC WORKS
Type of Offer: OFFER - ONGOING

Id: PW-2976

FLEET MANAGEMENT

have been converted to a bi-fuel system allowing them to run on propane which supports the City's pledge to reduce its operational carbon footprint. By closely monitoring their performance, Fleet will be able to determine the success of this alternative fuel model and the potential to expand to more City vehicles in the future.

Above Baseline: No increase requested at this time. The findings of the Facilities Strategic Management Plan will inform future budget requests.

Below Baseline:

2% Scalability (\$66,853) - This reduction would result in scaling back Fleet Services Preventative Maintenance Program on all the vehicles and equipment, *except for those used for emergency response*. By reducing the frequency and amount of preventative maintenance performed, Fleet Services would reduce the parts purchased for maintenance and repair work resulting in the 2% scale-back. The result would cause the time intervals between preventative maintenance services to be delayed beyond manufacturer recommendations, thus voiding their warranties and resulting in more *reactive* than *managed* service levels on those assets. When vehicles and equipment come into the shop they are always checked for any damage and safety concerns. If the time between services is longer, costs and safety risks increase and City staff could be impacted by experiencing more frequent or extended downtime for unscheduled fleet maintenance work and less reliable vehicles.

3% Scalability (\$100,279) - This reduction includes the 2% impacts and extends the service level reductions to emergency response vehicles and equipment. This will create a reduced service level of all City services to the community based on the availability and reliability of the City's vehicles.

6% Scalability (\$200,559) - A reduction of this size includes service impacts mentioned in the 3% and also reduces one full-time service technician to part-time. The technicians would only perform *reactive* tasks such as diagnostics and emergency repairs on the vehicles and equipment reducing the service level from *managed* to *reactive*. City staff will be adversely impacted by experiencing more frequent and extended downtime of their vehicles and equipment. This directly impacts the ability of City staff to effectively perform their work reducing the community's satisfaction level with City services.

Budget Changes:

No change in program.

BUDGETING BY PRIORITIES
BUDGET OFFER
RESPONSIBLE GOVERNMENT

Department Name: PUBLIC WORKS
Type of Offer: OFFER - ONGOING

Id: PW-2976

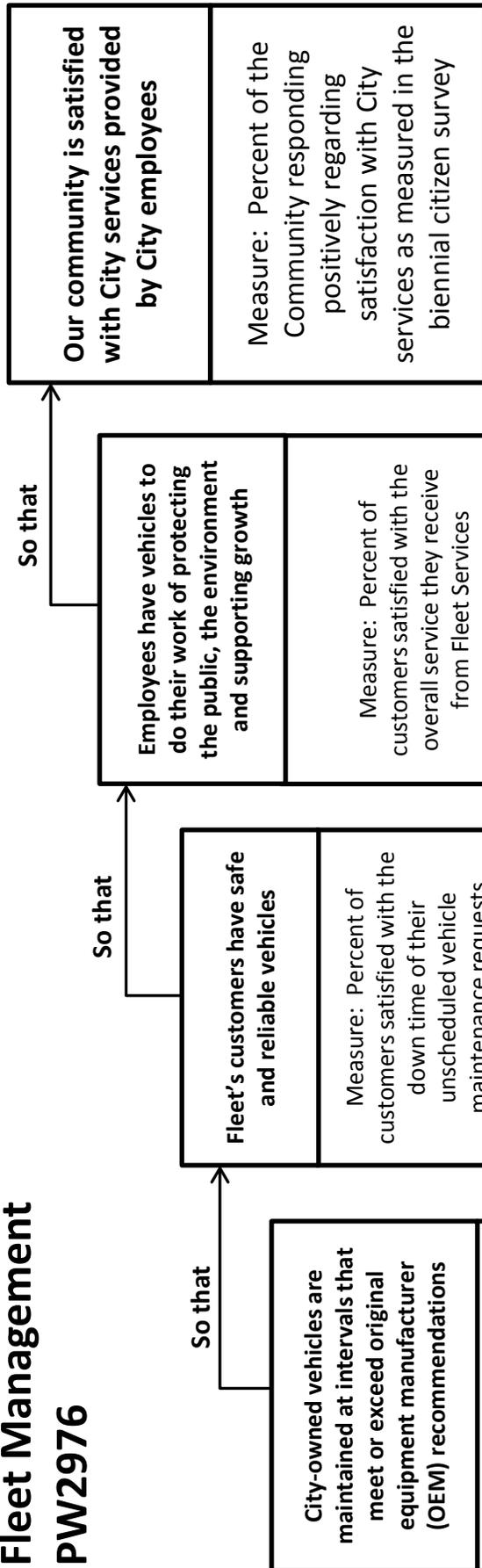
FLEET MANAGEMENT

Budget Offer Summary:

Expenditure Summary

	2017	2018	Total
Ongoing-Sal/Ben	\$804,121	\$823,206	\$1,627,327
Ongoing-Others	\$3,306,507	\$2,189,295	\$5,495,802
OneTime-Sal/Ben	\$0	\$0	\$0
OneTime-Others	\$0	\$0	\$0
TOTAL	<u>\$4,110,628</u>	<u>\$3,012,501</u>	<u>\$7,123,129</u>
FTEs	7.650	7.650	

Fleet Management PW2976



Fleet's customers have safe and reliable vehicles	<p>Measure: Percent of customers satisfied with the down time of their unscheduled vehicle maintenance requests</p> <p>Measure: Percent of re-works required to be performed on vehicles</p>
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Employees have vehicles to do their work of protecting the public, the environment and supporting growth	<p>Measure: Percent of customers satisfied with the overall service they receive from Fleet Services</p>
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Our community is satisfied with City services provided by City employees	<p>Measure: Percent of the Community responding positively regarding satisfaction with City services as measured in the biennial citizen survey</p>
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Performance Measure	Actual			Target		
	2013	2014	2015	2016	2017	2018
Percent of preventative maintenance services (PM's) completed within the month they are due (New – starting with the implementation of AssetWorks)	N/A	N/A	N/A	N/A	95%	95%
Percent of customers satisfied with response times to unscheduled vehicle and equipment service requests	57%	77%	94%	>85%	>85%	>85%
Percent of reworks required on vehicles (New – starting in 2015)	N/A	N/A	1%	<5%	<5%	<5%
Percent of customers satisfied with overall service they receive from Fleet Services	63%	90%	95%	>95%	>95%	>95%