
RESPONSIBLE GOVERNMENT

**RESULTS TEAM REQUEST FOR OFFERS
OUTCOME 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 Member: Adam O’Sullivan
Team Member: Cathryn Laird
Team Member: Dan Werr
Team Member: Erik Scairpon
Team Member: Jeff Hagen

Team Member: Jill Smith
Team Member: Joe Averill
Team Member: Judy Fani
Team Member: Rich Gieseke

DASHBOARD INDICATORS

Indicator 1: Percentage 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 resident’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 OUTCOMES MAP

Offers submitted to the Responsible Government priority should support one or more of the outcomes listed below. Outcomes illustrate **what** contributes to creating a responsible government, and the

supporting bullet points indicate **why** each outcome is important. Your work may support any of the outcomes; they are all indispensable in creating a responsible government.

Outcome 1: A Learning and Service Culture

- Provides the best possible customer service
- Streamlines to build capacity, increase efficiency and decrease cost
- Focuses on the needs of the customer
- Continually strives to improve by supporting an Innovative and collaborative environment

Outcome 2: A Customer-Focused Organization

- Builds trust and support
- Meets expectations of residents
- Engages our residents
- City organization exists to serve customers

Outcome 3: A Healthy Financial Condition

- Demonstrates that the City is well-managed
- Supports economic resiliency
- Provides the ability to acquire outside funding to assist in achieving desired outcomes

Outcome 4: Service Delivery that Leverages Technology and Innovation

- Keeps pace with evolving technology
- Allows City to stay aligned with tech savvy customers
- Provides more efficient customer service
- Improves transparency of services and performance

OBJECTIVES

The following objectives advise offer writers on **how** the City strives to reach the outcomes listed above. Budget offers can be written to any of these objectives, as well as other objectives not listed, which improve the City’s ability to reach the ultimate outcome of a responsible government.

WE ARE LOOKING FOR OFFERS THAT:

Objective 1: Use the long-term financial strategy to guide the City in fiscal matters

Objective 2: Improve service delivery through the organizational excellence, innovation, customer service, and educational programs

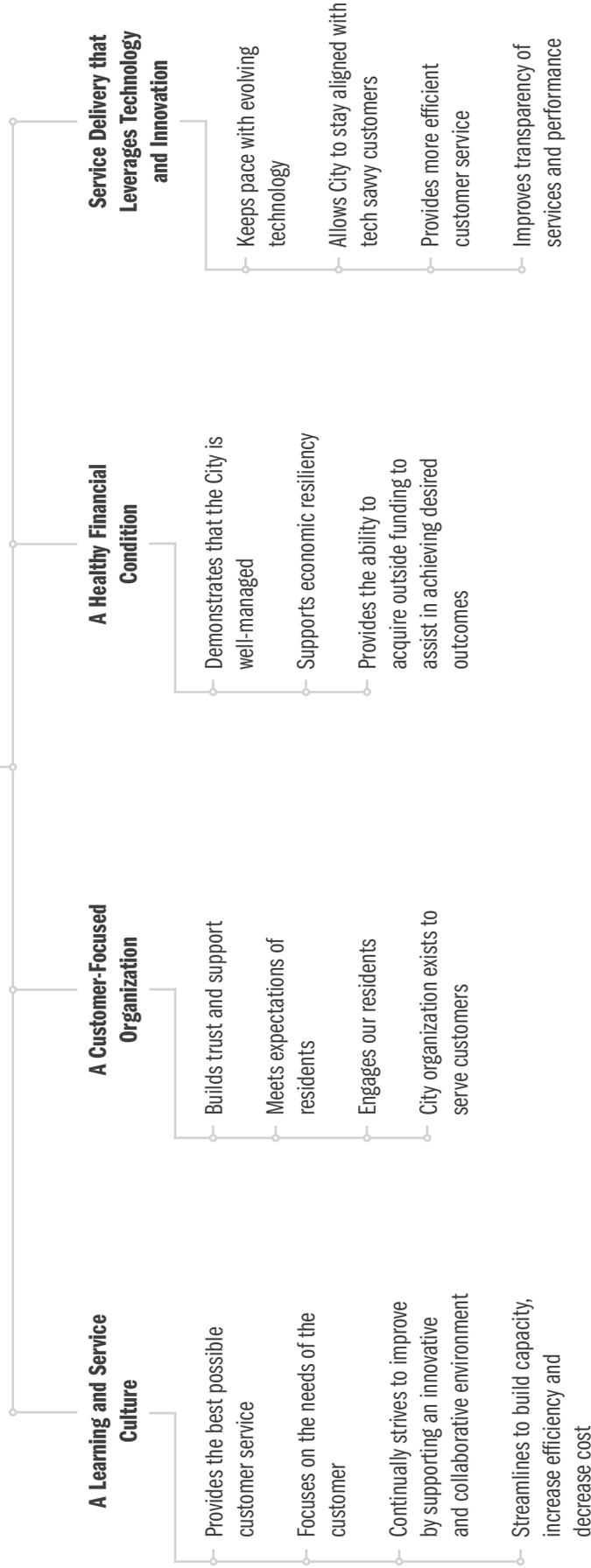
Objective 3: Invest in technology and innovative programs that keep pace with the changing needs of a future Redmond

Objective 4: Leverage City financial resources with matching grants and partnerships

Objective 5: Continue to develop strategies that advance the City towards its goals, mission, vision and values

Responsible Government

I want a city government that is responsible and responsive to its residents and businesses



**RESPONSIBLE GOVERNMENT
2019-2020 Offer Summary**

OFFER ORDER

Page #	Offer #	Offer Name	Lead Department	2019-2020 Offer Total
146	000079	Fiscal Stewardship	Finance	10,725,726
151	000078	Organizational Development	Finance	1,482,803
155	000098	City Council	Executive	353,362
159	000056	Human Resources	Human Resources	7,531,252
164	000097	Executive Management	Executive	3,643,685
168	000038	City Vehicle Management	Public Works	7,845,700
172	000024	Technology and Data Systems	TIS	13,866,168
177	000104	Operating Reserves	Finance	31,707,604
			Total	77,156,300

OFFER RANKINGS

Lead Department	Offer #	Offer Name	Results Team Ranking	
			Staff	Civic
Finance	000079	Fiscal Stewardship	1	1
Finance	000078	Organizational Development	2	7
Executive	000098	City Council	3	2
Human Resources	000056	Human Resources	4	6
Executive	000097	Executive Management	5	4
Public Works	000038	City Vehicle Management	6	5
TIS	000024	Technology and Data Systems	7	8
Finance	000104	Operating Reserves	8	3

Budgeting by Priorities

Budget offer

Responsible Government

Department Name: FINANCE

Id: 000079

Fiscal Stewardship

What: The Fiscal Stewardship offer supports the tasks and activities that go into stewarding and safeguarding the resources entrusted to the City by the community. As stewards of the money and keepers of the policies and regulations that govern fiscal actions, the financial divisions in this offer promote accountability, transparency and continuity of City services. Fiscal stewardship strives to meet the outcomes of the Responsible Government priority by maintaining a healthy financial condition through sound fiscal practices and protection of assets through effective financial 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 stewardship, quality customer service, protection of assets and accurate reporting of financial information to the community and outside agencies.

Who: The customers of the Finance Department are varied and include internal staff, partner organizations, elected officials and City administration. These groups are served through purchasing of goods and services, monitoring and tracking budgets, sustaining safety and loss prevention programs, supporting payment and revenue collection activities, paying employees and documenting fiscal information to be used in decision-making. The department supports external customers by providing timely and accurate information, protecting public assets, using consistent practices and procedures and providing 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 Department takes a proactive approach to City financial services. The baseline offer evaluates and supports City needs through the following functions:

- Treasury Services provides fiscal stewardship through managing the City's investment portfolio and banking services.
- Accounting and Auditing provides financial accountability and transparency through accurate and timely accounting, reporting, auditing and internal control services.
- Payroll supports fiscal responsibility and effective employee customer service through timely, accurate and dependable compensation and benefit services to employees.
- Accounts Payable and Purchasing promotes continuity of City services through consolidated

Budgeting by Priorities

Budget offer

Responsible Government

Department Name: FINANCE

Id: 000079

Fiscal Stewardship

payment of City bills and procurement of department resources.

- Financial Planning supports effective and accountable leadership by leading the biennial Budgeting by Priorities process, engaging in long range financial forecasting and reviewing fiscal conditions.
- Risk and Safety programs include insurance and other costs for property and liability risks as well as the management of current and potential claims. Risk management staff also facilitate a network of safety activities designed to reduce risks and improve safety for the public and City employees.
- Business Systems supports the maintenance, replacement and enhancement of the City's financial Enterprise Resource Planning (ERP) systems including payables, receivables, payroll, human resources, accounting and records management.
- Administration leads the Finance Team to fulfill their mission to maintain a spirit of excellence and financial integrity in the cultivation of partnerships required to meet shared goals that preserve, enhance and support our customers.

Demonstrated Efficiencies: The Finance functions have participated in several process improvement and Lean efforts, including streamlining the procure to pay process, advanced travel workflow, procurement procedures and accounts payable processes. Improving the requisition process resulted in an increase in the number of purchase requisitions processed within two days from 43% to 83%. The results of the procure to pay process included a five-week gain in productivity by reducing data entry time, eliminating the over-processing of 750 invoices annually which created approximately 180 hours of added capacity to Accounts Payable and a 70% reduction in waste by eliminating defects, over-processing and wait times.

Above Baseline:

- Dynamics Software Upgrade (\$270,000 one-time) - To upgrade the City's Dynamics (DAX) financial system to prepare for the launch of DAX into the D365 environment. These one-time funds will also be used for fixing some lingering DAX issues due to business process changes.
- Upgrade the City's new Workforce Management System (\$460,000 one-time and \$1,137,470 ongoing) - These costs include 2.00 full time equivalent business analyst positions (\$647,470) to support the new system as well as provide continuous support for DAX. The deterioration of the City's timekeeping system prompted support departments to take a holistic look at our workforce management systems. The goal is to implement one integrated system to bring together all aspects of employee management while eliminating duplication of effort, the use of side systems and providing a better customer experience. These costs are net of savings of \$70,000 for current software support.

Below Baseline:

2% Scalability (\$201,127) - The funding for 0.25 full time equivalent (FTE) position (\$70,000) as well as consulting services (\$50,127) used in Financial Planning, to conduct studies with outside expertise, would be eliminated. In addition, savings of approximately \$53,000 would be achieved by increasing current insurance deductibles from \$25,000 for liability and \$100,000 for property insurance. On the business systems side the Department would eliminate the ZAP reporting tool (\$28,000) used to create reports across modules. Some of the potential performance outcomes include a reduction in customer service satisfaction and closing the month-end financial transactions

Budgeting by Priorities

Budget offer

Responsible Government

Department Name: FINANCE

Id: 000079

Fiscal Stewardship

from the tenth business day of the month to the fifteenth and assuming additional liability and property risk.

3% Scalability (\$282,191) - The funding for 1.00 FTE position (140,000) for one year as well as all the consulting services (\$40,191) in Financial Planning would be eliminated. The Financial Operations division would realign workload to accommodate fewer staff members. Eliminating one year of an employee would give the Department enough time to analyze workload impacts and strategically decide what services would be eliminated. Approximately \$81,000 could be achieved by taking on higher insurance deductibles as well as eliminating the ZAP reporting tool (\$28,000) and Cost Tree Model (\$22,000) used to calculate citywide indirect costs. A reduction in services would change service levels from Proactive to Managed or Reactive depending on the divisions affected. Possible performance impacts include a decline in customer satisfaction, increased time to pay bills from 30 days to 45 days and the assumption of additional liability and property risk.

5% Scalability (\$482,389) - The Finance Department would eliminate 1.00 FTE position (\$280,000) for the biennium as well as a portion of the consultant services (\$20,319) in Financial Planning. The Department would eliminate some tasks and rearrange workload to accommodate the decreased staffing levels. Additional reductions would be achieved through higher insurance deductibles and cuts to the City's safety program (\$132,070) as well as elimination of ZAP (\$28,000), Cost Tree (\$22,000). The service levels would go from Proactive to Managed or Reactive depending on the divisions affected. Other possible performance impacts include material misstatements in financial reports, a longer period (approximately 15-17 days) between the close of the month and when financial status reports are available, a decrease in customer service satisfaction and assumption of additional liability and property risk.

Budget Changes:

- Funded one-time upgrade and improvement of Dynamics financial system software (\$270,000)
- Funded one-time implementation of Workforce Management system (\$460,000)
- Funded ongoing system maintenance and support cost for Workforce Management and Dynamics (\$490,000)
- Funded 1.00 Business Analyst full time equivalent position to support the Dynamics and Workforce Management systems (\$271,327) and one-time costs for FTE related equipment (\$14,080)
- Unfunded a portion of unemployment insurance (\$40,000)

Budget Offer Summary

Expenditure summary

	Year 1	Year 2	Total
Ongoing-Sal/Ben	\$2,886,629.45	\$2,993,847.62	\$5,880,477.07
Ongoing-Others	\$2,048,471.00	\$2,052,878.00	\$4,101,349.00
One-Time-Others	\$743,900.00	\$0.00	\$743,900.00
Total	\$5,679,000.45	\$5,046,725.62	\$10,725,726.07

Budgeting by Priorities

Budget offer

Responsible Government

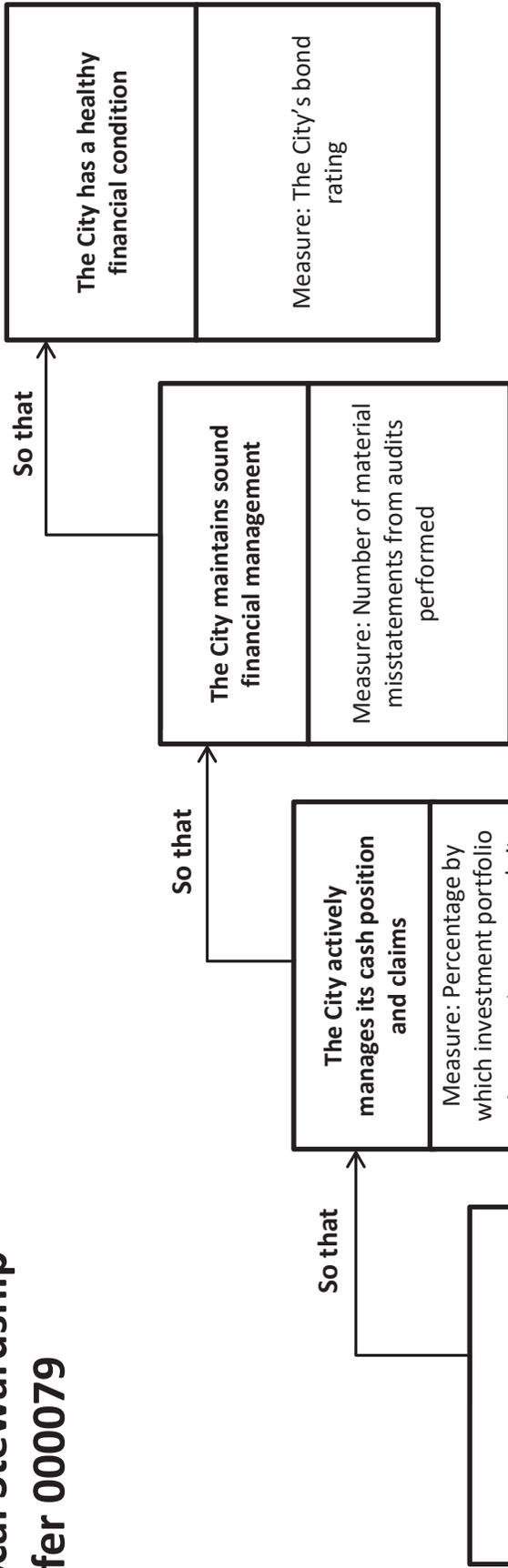
Department Name: FINANCE

Id: 000079

Fiscal Stewardship

	FTE Year1	FTE Year2
FTEs	23.27	23.27

Fiscal Stewardship Offer 000079



Performance Measure	Actual			Target		
	2015	2016	2017	2018	2019	2020
Percentage of financial statements available by the 10 th working day of the month	100%	100%	100%	100%	100%	100%
Percentage of vendor invoice bills are paid within a 30-day time frame	85%	89%	88%	90%	90%	90%
Number of claims filed	171	145	240	150	150	150
Percentage by which investment portfolio return meets or exceeds its benchmark	157%	109%	83%	95%	100%	100%
Amount of claims and related costs as percent of the total City budget	.43%	.31%	.36%	.25%	.20%	.20%
Number of material misstatements from audits performed	0	0	TBD*	0	0	0
The City's bond rating	AAA	AAA	AAA	AAA	AAA	AAA

*2017 financial statements are currently being audited

Budgeting by Priorities

Budget offer

Responsible Government

Department Name: FINANCE

Id: 000078

Organizational Development

What: The Organizational Development offer consolidates, under a common umbrella, current Citywide initiatives that support continuous improvement, leadership development, customer service and increased innovation. These initiatives include:

- Continued implementation of Lean practices by building upon and continuing the streamlining of processes;
- Opportunities for City employees to identify and implement innovations through a highly successful and competitive Innovation Fund program;
- Increasing the number of employees trained in leadership, crucial communications, budget philosophy and supervisory essentials;
- Consolidating, streamlining and enhancing the customer service center to more effectively serve customers; and
- Creating a sense of community and mutual respect by developing and institutionalizing strategies to make Redmond a welcoming place for all.

Why: Commitment to service and a welcoming community are two of the four core values of the City. Robust organizational development programs provide the structure, tools, training and staffing necessary to understand and respond to our customers' needs. The goals of Organizational Development will be achieved through staff development by providing the training and tools necessary to focus on Redmond's customers and improve processes to add value to the services we provide.

Who: The customers of Organizational Development include all people who live, work and visit Redmond, such as Redmond residents, business owners, tourists, 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 development, customer service and cultural inclusion. The offer speaks to outcomes in both the Responsible Government and the Diverse and Connected Community priorities by creating an inclusive and welcoming Redmond and a learning, customer-focused organization. The baseline functions of the Organizational Development offer include:

- **Customer Service:** The goal of the Customer Service Center is to consolidate over thirty-two customer functions to provide a one-stop shop for municipal government needs. Included in the function is ongoing support for the Customer Request Management (CRM) system to offer one

Budgeting by Priorities

Budget offer

Responsible Government

Department Name: FINANCE

Id: 000078

Organizational Development

contact point for questions and concerns, as well as a Development Services queuing system to streamline the customer check-in process and inform them of service wait times. The need for the City to engage more effectively, dynamically and innovatively with the public is consistent with feedback received from the community and the Council.

- Process Improvement Initiatives: Currently the City takes a proactive approach to process improvement and Lean systems and seeks to look at processes and procedures to continue to build capacity within the organization. Examples of Lean initiatives in 2017 include police and prosecuting attorney (Justice League), advanced travel, capital project delivery and warehousing services.
- Cultural Inclusion: Redmond is a global City that attracts residents from around the world. We value and embrace our diversity and pride ourselves on being a welcoming community. We envision a Redmond in which all residents can fully and effectively access City services, influence City policy and direction and feel a sense of belonging and safety.
- Training and Leadership Development: To promote effective and accountable leadership and support a changing culture, the Organizational Development offer includes continued support for Crucial Conversations training, Leadership Academy and Leaders with Influence programs.

Demonstrated Efficiencies: Through process improvement and Lean efforts the City has built capacity among staff, including streamlining the procure to pay process, advanced travel workflow, procurement procedures and accounts payable processes. Improving the requisition process resulted in an increase in the number of purchase requisitions processed within two days from 43% to 83%. The results of the procure to pay process included a five-week gain in productivity by reducing data entry time, eliminating the over-processing of 750 invoices annually which created approximately 180 hours of added capacity to Accounts Payable and a 70% reduction in waste by eliminating defects, over-processing and wait times.

Above Baseline: The Organizational Development offer includes additional resources to enhance the City's ability to offer a comprehensive strategic approach to providing the activities supported by the organizational development initiative.

- Cultural Assessment (\$20,000 one-time) - Vibrant cultures are values-driven, mission-focused and vision-guided. Vibrant cultures also have high levels of performance because they create internal cohesion, attract talented people and inspire employees to go the extra mile. Redmond seeks to continue its emphasis on a learning and customer-driven culture through investing in a train the trainer model to assess our culture and put in place cultural training curriculum to evaluate City leadership, departments and staff.
- Cultural Inclusion (\$75,000 one-time) - Through efforts to date, the Cultural Inclusion team has had the opportunity to work with a consultant to help guide strategies for further development. Key components include a training program for all staff; community engagement and partnerships; and recruitment and retention efforts related to increasing the diversity of Redmond's workforce, boards and commissions.
- Process Improvement and Lean Initiatives (\$150,000 one-time) - To continue fostering process improvement and Lean initiatives throughout the City by providing additional training to staff on Lean concepts and funding consultant support for improvement initiatives that have a large scope and require expertise not found internally.
- Crucial Conversations Resources (\$102,000 one-time) - Human Resources trains all City staff

Budgeting by Priorities

Budget offer

Responsible Government

Department Name: FINANCE

Id: 000078

Organizational Development

on conflict resolution skills. This is a continuation of training to ensure that all employees have participated; Crucial Conversations enhances the True Colors training provided to new hires.

- Innovation Fund (\$200,000 one-time) - For the past several biennia, Council has approved funding for the City's Innovation Fund. This offer again includes funding to act as a catalyst for innovative thinking within the organization by providing seed money to new ideas and initiatives. In the past, the Innovation Fund has been used to support community engagement through real-time polling, the environment through retrofitting City vehicles to use propane and public safety through smart phone charging stations for police.

Below Baseline:

2% Scalability (\$59,088) - A decrease of 2% from Information Services Innovations would require a reduction of a portion of an FTE in either Customer Service, Finance or Technology and Information Services as the bulk of the funding in this offer is one-time. The impact of a reduction could include a decrease in internal support to Lean projects, a reorganization of the customer service team or rethinking the programs in the Information Technology Innovations Team.

3% Scalability (\$88,632) - A decrease of 3% from the Organizational Development program would eliminate \$88,632 which would require a reduction in FTEs (see above).

5% Scalability (\$147,720) - A decrease of 5% would eliminate portions of FTEs in the various programs (see above).

Budget Changes:

- Funded one-time organizational cultural assessment (\$20,000)
- Funded one-time implementation of cultural inclusion strategies (\$75,000)
- Funded one-time Lean training and consultant support (\$150,000)
- Funded one-time Crucial Conversations trainings (\$102,000)
- City Council funded one-time Innovation Fund (\$50,000)

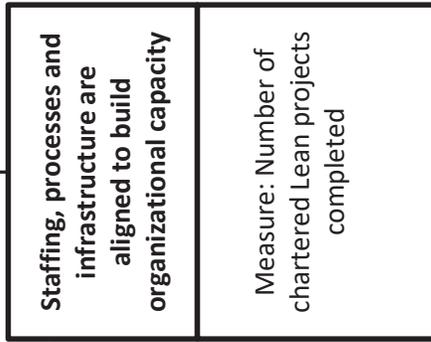
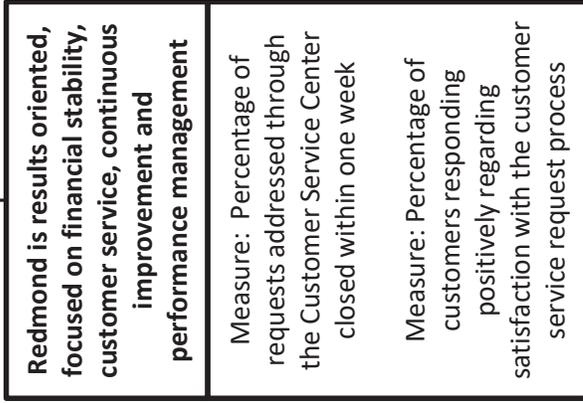
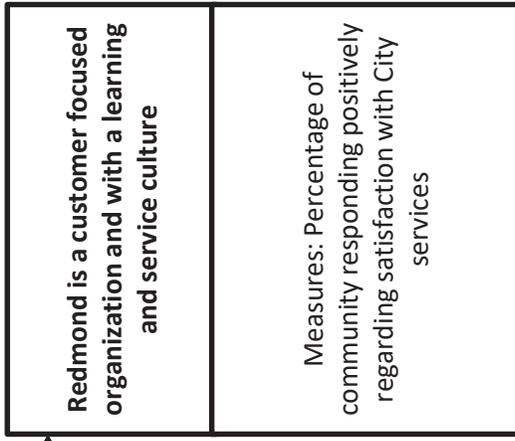
Budget Offer Summary

Expenditure summary

	Year 1	Year 2	Total
Ongoing-Sal/Ben	\$411,973.06	\$427,829.88	\$839,802.94
Ongoing-Others	\$123,000.00	\$123,000.00	\$246,000.00
One-Time-Others	\$322,000.00	\$75,000.00	\$397,000.00
Total	\$856,973.06	\$625,829.88	\$1,482,802.94

	FTE Year1	FTE Year2
FTEs	3.50	3.50

Organizational Development Offer 000078



Performance Measure	Actual			Target		
	2015	2016	2017	2018	2019	2020
Number of employees that participate in training and leadership development	N/A	N/A	1,063	1,080	2,000	2,025
Number of innovation projects implemented	11	11	10	10	12	12
Number of employees who receive Diversity, Equity and Inclusion training *	N/A	N/A	N/A	30	325	325
Number of chartered Lean projects completed	3	9	9	10	15	20
Percentage of requests addressed through the Customer Service Center closed within one week	N/A	N/A	N/A	75%	75%	80%
Percentage of customers responding positively regarding satisfaction with the customer service request process**	N/A	N/A	N/A	90%	95%	100%
Percentage of community responding positively regarding satisfaction with City services	71%	71%	69%	85%	85%	85%

*New measure
**Actual as of April 18, 2018 (target 90% for 2018)

Budgeting by Priorities

Budget offer

Responsible Government

Department Name: EXECUTIVE

Id: 000098

City Council

What: The City of 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.

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 community involvement in their government.

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

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

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 the 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.

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 and reserves to meet the City's needs in case of a significant disaster. In addition, Council's leadership efforts for resident satisfaction are reflected in its public communications by engaging the community in various forums to identify issues, craft

Budgeting by Priorities

Budget offer

Responsible Government

Department Name: EXECUTIVE

Id: 000098

City Council

solutions and create a transparent and problem-solving environment for City stakeholders.

To support a customer-focused organization, Councilmembers hear requests from individual residents, community groups and staff 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 supporting a healthy financial condition and seeking innovation 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 examines 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.

Service Level Description: Managed.

Above Baseline (\$29,800):

- Legal costs (\$7,000 ongoing) - to support the rising costs of legal expenses
- Wireless service (\$12,800 ongoing) - for Council communications with the community
- Cities for Citizenship initiative (\$10,000 ongoing)

Service Level Description: Proactive.

Below Baseline:

2% Scalability (\$6,561) - To achieve this reduction, the travel and conference registration budgets would be reduced by \$6,561. This would limit Councilmembers' attendance at national, state and local conferences and the limit ability to represent the City's 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 decision-making and Redmond residents' overall City satisfaction could decline.

Service Level is Managed.

3% Scalability (\$9,842) - 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 is Managed.

5% Scalability (\$16,404) - This level of reduction would be achieved by drastically reducing the travel and conference registration budgets, 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% and 3% reduction narratives.

Budgeting by Priorities

Budget offer

Responsible Government

Department Name: EXECUTIVE

Id: 000098

City Council

Service Level is Managed.

Budget Changes:

- Funded ongoing legal costs (\$7,000)
- Funded ongoing wireless communications (\$12,800)
- City Council funded ongoing Human Services (\$10,000)

Budget Offer Summary

Expenditure summary

	Year 1	Year 2	Total
Ongoing-Sal/Ben	\$116,968.15	\$117,043.42	\$234,011.57
Ongoing-Others	\$60,050.00	\$59,300.00	\$119,350.00
Total	\$177,018.15	\$176,343.42	\$353,361.57

	FTE Year1	FTE Year2
FTEs	7.00	7.00

City Council Offer 000098

Redmond is a customer focused organization with a healthy financial condition

Measure: Percentage of community responding positively regarding satisfaction with City services

Measure: The City's bond rating

So that

Policy decisions are consistent with the long range vision

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

So that

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

Measure: Percentage of long range plans that are refreshed and updated in the appropriate timeframes

So that

Community information is collected and analyzed

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

Measure: Percentage of agendas that are published three days in advance of Committee meetings

Measure: Percentage of Open Town Hall meetings that are conducted three times per year

Performance Measure	Actual					Target		
	2015	2016	2017	2018	2019	2020		
Percentage of Ombudsman issues that are formally acknowledged, closed, and reported within established timeframes	100%	100%	100%	100%	100%	100%		
Percentage of agendas that are published three days in advance of Committee meetings	100%	100%	100%	100%	100%	100%		
Percentage of Open Town Hall meetings that are conducted three times per year*	N/A	N/A	100%	100%	100%	100%		
Percentage of long range plans that are refreshed and updated in the appropriate timeframes*	N/A	N/A	N/A	100%	100%	100%		
Percentage of community responding positively to future direction of the City	70%	70%	69%	85%	85%	85%		
Percentage of community responding positively regarding satisfaction with City services	71%	71%	69%	85%	85%	85%		
The City's bond rating	AAA	AAA	AAA	AAA	AAA	AAA		

*New performance measure

Budgeting by Priorities

Budget offer

Responsible Government

Department Name: HUMAN RESOURCES

Id: 000056

Human Resources

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

Why: The Human Resources Department works collaboratively with all departments to recruit and retain talented, effective leaders. Towards this end, Human Resources 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.

Who: The customers for the programs developed and managed by the Human Resources Department are City employees, elected officials, potential job applicants and the residents 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: Human Resources currently takes a comprehensive approach to developing and managing programs to attract, hire, develop and retain effective and accountable leaders. Programs included in this offer are the following:

- Recruitment and Selection - Human Resources staff guide and oversee all recruitment and selection processes and make decisions and recommendations regarding marketing and advertising for open positions. This program includes onboarding and orientation of new employees as well.
- Benefits, Wellness and Compensation - Compensation, benefit and wellness programs are developed and managed by Human Resources; 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 - The Department 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. Human Resources staff provide consulting assistance with departmental change initiatives and develop training

Budgeting by Priorities

Budget offer

Responsible Government

Department Name: HUMAN RESOURCES

Id: 000056

Human Resources

programs specifically designed to meet organizational needs (e.g., Leadership Academy, Crucial Conversations, Performance Management, etc.).

- Employee and Labor Relations - Human Resources 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 - Human Resources ensures the creation and implementation of programs, policies and procedures that support and promote effective and accountable leadership, such as in the employee personnel manual. Human Resources staff advise the organization on performance management, policy interpretation and legal compliance.
- Workers' Compensation - The City of Redmond must comply with the State requirements for Workers' Compensation. The City of Redmond has opted to self-insure the program and through a third-party administrator, 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. Human Resources 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. The City has a fiscal responsibility to manage its Workers' Compensation expenses with appropriate fiduciary oversight. The City of Redmond has chosen to meet this responsibility through self-insuring claim expenses related to work injuries. Programs managed by the Human Resources Department align organizational priorities, create a connected workforce, effectively manage General Fund dollars and reduce liabilities.

Demonstrating Efficiencies: To create efficiencies, increase capacity and improve the level of service to our customers, we recently went through a Lean process for onboarding new employees. As a result, we implemented electronic forms for onboarding new hires and provided easy access to information with current electronic links. We also developed a consistent Human Resources orientation process and streamlined data entry. This Lean process resulted in an 80% reduction of hard copy documents processed and provided an improvement in customer service. We have also updated the Employee Personnel Manual which was over 30 years out of date.

Above Baseline:

- Recruitment (\$10,000 ongoing) - The job market continues to remain strong in the region and we are not anticipating this trend to diminish during this budget cycle. With the unemployment rate for Washington currently below 4% we are finding that there are fewer qualified candidates for positions, particularly those with higher skill levels and diversity.
- Peer Support Program (\$100,000 ongoing) - We have come to recognize that employees are exposed to a career's worth of tragedies and that post-traumatic stress disorder is on the rise. This request is for a contracted employee who would continue to run the peer support program for Police and Fire staff and increase services to include all City staff.
- Compensation Study (\$150,000 one-time) - Employee compensation is currently calculated at the fiftieth (50%) percentile of our City comparables and we have over two hundred different

Budgeting by Priorities

Budget offer

Responsible Government

Department Name: HUMAN RESOURCES

Id: 000056

Human Resources

employee classifications. To attract and retain our employees in a competitive work environment that currently has less than 4% unemployment, we are requesting \$150,000 for professional services to support a complete analysis of our compensation program. This would include access to specific market surveys and analysis of various pay issues such as compression and pay equity to develop a new compensation model. This will also update our classifications prior to entering data in the new workforce management system.

- Safety Manager and Program Development (1.00 FTE, \$259,604 ongoing and \$75,000 one-time) - Currently the City has held each department responsible for safety training of staff. We are requesting on-going funding for a Safety Manager to provide expertise in our safety practices and one-time funding to complete a safety study. The goal is the development of a comprehensive Citywide safety program, providing efficiencies in programming, tracking employee certifications and assuring compliance with regulations.

Below Baseline:

2% Scalability (\$172,324) - A 2% reduction in funding would reduce recognition programs (\$8,000), training programs (\$87,850), professional services (\$10,174) and legal costs (\$66,300). With the loss of these funds, Human Resources would move from a Comprehensive to a Managed service level, causing a reduction in labor relations efforts.

3% Scalability (\$258,664) - A 3% budget reduction will result in the reductions outlined above (the 2% scalability) and the elimination of 0.80 of a full time equivalent (FTE) position (\$86,340). With the loss of these funds, Human Resources would move to a Proactive 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 can provide to employees, limits our ability to reinforce the City's culture and impacts succession planning.

5% Scalability (\$430,811) - A 5% budget reduction will result in above reductions (the 3% scalability) plus additional reductions in recognition programs (\$8,000), training programs (\$79,932), professional services (\$1,273), legal costs (\$45,922) and a full time position (additional 0.20 FTE \$37,020). With the loss of a full time employee, Human Resources service level would decrease to Reactive. The remaining Human Resources 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 programs regarding attracting and retaining effective, accountable leaders. The Department will not have the ability to evaluate and respond in a timely manner to requests for assistance with employee performance issues, grievances and complaints. Scalability may affect the Performance Measures as follows:

- Average number of days to fill a vacancy will increase due to a reduction of staff, negatively impacting City departments;
- 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;
- Turnover rate may increase due to limited Human Resources programs and services which will negatively impact employees; and

Budgeting by Priorities

Budget offer

Responsible Government

Department Name: HUMAN RESOURCES

Id: 000056

Human Resources

- Percent of grievances may increase and not be resolved before escalation because staff will not have time to respond to labor issues in a timely fashion.

Budget Changes:

- Funded ongoing Peer Support Program (\$100,000)
- Funded 1.00 Safety Manager FTE, repurposed from existing Deputy City Administrator FTE in Offer 000055 (\$259,604)
- Funded one-time Safety Study (\$75,000)
- Funded one-time Compensation Study (\$150,000)
- Unfunded a portion of legal costs for personnel grievances (\$91,680)

Budget Offer Summary

Expenditure summary

	Year 1	Year 2	Total
Ongoing-Sal/Ben	\$2,834,919.08	\$2,901,177.88	\$5,736,096.96
Ongoing-Others	\$780,077.00	\$790,078.00	\$1,570,155.00
One-Time-Others	\$150,000.00	\$75,000.00	\$225,000.00
Total	\$3,764,996.08	\$3,766,255.88	\$7,531,251.96

	FTE Year1	FTE Year2
FTEs	13.00	13.00

Human Resources Offer 000056

So that

<p>Human Resources develops and manages the following programs:</p> <ul style="list-style-type: none"> • Recruitment & Selection • Benefits & Compensation • Training & Organizational Development • Employee & Labor Relations • Policy Administration 	<p>Measure: Percentage of new employees retained following their probationary period</p> <p>Measure: Average number of days to fill a vacant position</p>
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So that

<p>The City attracts, hires, develops and retains talented, effective and accountable leaders</p>	<p>Measure: Percentage of performance reviews conducted on time</p> <p>Measure: Turnover rate is better than the Milliman Public Sector average</p>
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So that

<p>The City maintains a culture of fiscal responsibility, legal compliance and high performance</p>	<p>Measure: Percentage of union grievances resolved before being escalated</p>
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<p>The City is a customer-focused organization.</p>	<p>Measure: Percentage of community responding positively regarding satisfaction with City services</p>
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Performance Measure	Actual			Target		
	2015	2016	2017	2018	2019	2020
Percentage of new employees retained following their probationary period	90%	97%	86%	90%	95%	97%
Average Number of days to fill a vacant position	72	60	55	55	55	55
Percentage of performance reviews conducted on time	83.1%	59.4%	27%**	40%	60%	80%
Turnover rate is better than the Milliman Public Sector average	9.28%*	9.58%*	9.32%*	TBD*	TBD*	TBD*
Percentage of union grievances resolved before being escalated	N/A	50%	100%	100%	100%	100%
Percentage of community responding positively regarding satisfaction with City services	71%	71%	69%	85%	85%	85%

*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. For 2015, 2016 and 2017, the Milliman rate was 12.3%, 9.6% and 11.1% respectively.

**Changed on-time measure from within 60 days of pay anniversary date to arriving before or on the pay anniversary date.

Budgeting by Priorities

Budget offer

Responsible Government

Department Name: EXECUTIVE

Id: 000097

Executive Management

What: The Executive Management offer encompasses City of Redmond leadership that includes City administration, regional policy, prosecutor/civil legal management, communications, and the City Clerk's Office. These functions serve as the catalyst for the City's vision, developed by the Mayor and City Council to guide the development of the strategic plan for the City. The Office of Communications provides clear and consistent internal messaging and coordinates effective communication between the community and the City.

Why: The Executive Office manages the community's priorities, through the development and implementation of the City's vision, and ensures department functions and regional partnerships align with the vision. Communication and access to public records are an integral part of the service delivery functions that support communication and outreach with the community and continually provide transparent access to public records.

Who: The Executive offer serves the Redmond community, the City's elected officials, City staff, and local and regional partners.

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 Executive Management offer, under Council direction advances the City's mission, vision and values throughout the organization. This is accomplished through an established culture of customer service, focusing on the needs of the customer and continuous improvement which is often accomplished by creating efficiency in processes. The Executive Department manages the City's collaboration, participation and advocacy efforts in local, regional and state arenas by implementing and overseeing policies and programs to ensure Community interests and needs are met.

In addition, the Executive Management offer administers the Citywide programs of the Council's legislative functions; records management related to classification and retention of records; Communications (Offer No. 000065); and public records disclosure, which are all cross-departmental efforts. In 2017, the City of Redmond processed 2,470 records requests. Trends for public records requests continue to grow both in number and complexity. The Executive Department's response to this need is reflected in the above baseline description for this offer. (Proactive)

Demonstrated Efficiencies:

- Enhancements to the City's public records disclosure electronic system through the creation of

Budgeting by Priorities

Budget offer

Responsible Government

Department Name: EXECUTIVE

Id: 000097

Executive Management

a central tracking system. Efficiencies are measured by total amount of public records requests taken and successfully fulfilled.

- Creation of the City's Chief Operating Officer position to establish continuity across the organization.
- Hiring of a City Records Program Coordinator to begin establishment of a records retention program in compliance with State law.
- Creation of the customer service and conference room center to create a welcoming single point of contact for the community. Efficiencies are measured by total amount of calls and service requests taken and successfully fulfilled.

Above Baseline:

- Due to the increase in volume and complexity in public records disclosure requests it is apparent to the Executive Department that a comprehensive program for public records disclosure is needed. In 2017, 2,470 requests were received. Based on the volume submitted to-date in 2018 (1,661 requests), it is anticipated that the City will exceed the volume received in 2017. This increased demand necessitates the request for four full time and one half time positions.
 - Records Managements (4 FTEs, \$957,972 ongoing, \$41,622 one-time) - These four positions will ensure the timely and complete processing of requests. One will serve as a program coordinator, with the other three deployed to the Police Department, the Planning Department and the Executive Office.
 - Administrative Assistant (0.50 FTE \$103,381) - The position will assist other departments with complex disclosure requests when needed. The goal of the program is to proactively manage public records disclosure requests to be responsive to the needs of the City's customers and to ensure compliance with state legal requirements. This safeguards the City and the Community from potentially lengthy and expensive legal actions.
 - Supplemental Salaries (\$60,000 one-time) - Funding is requested to help support the volume of public record requests.
- Records Management System Support (\$317,423 ongoing) - To support the new records management system including an additional 1.0 full time equivalent technical analyst (\$267,423) and licensing (\$50,000 to begin in 2020). The new system will archive the City's legislation and documents as required by Washington State law.
- Inflationary increases (\$20,056 ongoing), staff overtime (\$2,000 ongoing) and other associated operating costs (\$77,149 ongoing). (Managed)

Below Baseline:

2% Scalability (\$83,000) - Reduce the lobbyist budget by approximately 36% (\$55,000), thereby limiting the City's efforts to advance its interests in Olympia with a new service provider. Reduce the tuition, travel and training budget by \$28,000. (Reactive)

3% Scalability (\$124,781) - Eliminate the items included in the 2% reduction above (\$83,187), and reduce the Mayor's contingency by 50% (\$25,000), resulting in diminished City support for community initiatives such as the Saturday Market and Neighborhood Conversations. Reduce overtime and office operational accounts by \$16,594. (Reactive)

Budgeting by Priorities

Budget offer

Responsible Government

Department Name: EXECUTIVE

Id: 000097

Executive Management

5% Scalability (\$207,968) - Reduce the baseline as reflected in both 2% and 3% scalability, and further reduce the Mayor's contingency by an additional \$10,000, exacerbating the negative impacts described above to both advancing the City's interests effectively in Olympia (assuming the City could secure legislative advocacy services at this reduced funding level) and supporting community-based initiatives and priorities. Additionally, the City would need to eliminate its memberships in regional partnerships such as Leadership Eastside (\$10,000) and Sound Cities Association (\$42,000), thereby reducing staff's and elected officials' capacity and influence on regional issues and decisions affecting Redmond. A reduction in FTE hours in the amount of \$21,187 would also be included. (Reactive)

Budget Changes:

- Funded one-time supplemental salaries to support public records requests (\$60,000)
- Unfunded 1.00 Deputy City Administrator, repurposed existing FTE to Safety Manager FTE in Offer 000056 (\$493,759)

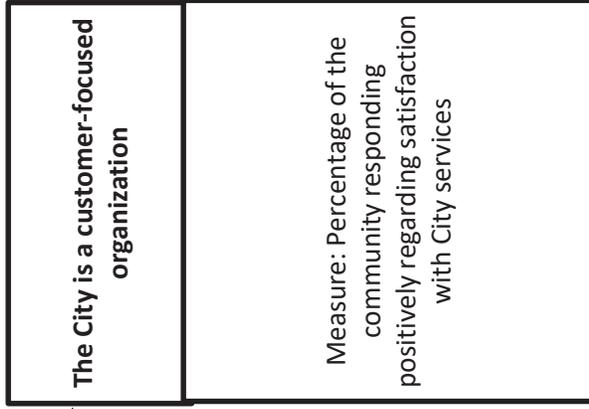
Budget Offer Summary

Expenditure summary

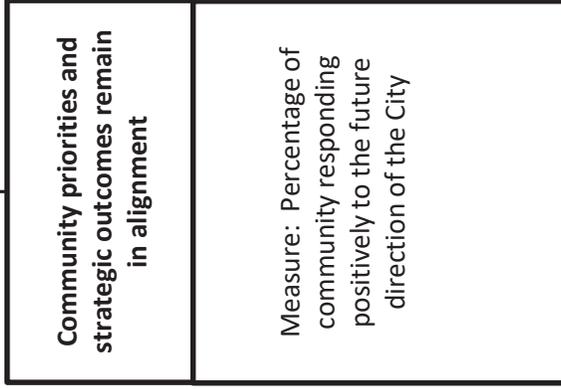
	Year 1	Year 2	Total
Ongoing-Sal/Ben	\$1,184,770.89	\$1,225,256.30	\$2,410,027.19
Ongoing-Others	\$594,019.00	\$579,639.00	\$1,173,658.00
One-Time-Sal/Ben	\$60,000.00	\$0.00	\$60,000.00
Total	\$1,838,789.89	\$1,804,895.30	\$3,643,685.19

	FTE Year1	FTE Year2
FTEs	8.61	8.61

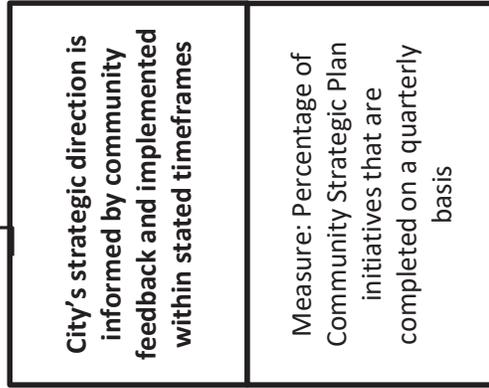
Executive Management Offer 000097



So that



So that



So that



Performance Measure	Actuals					Target		
	2015	2016	2017	2018	2019	2020		
Number of residents participating in the annual telephone and online surveys	360	361	401	400	500	550		
Percentage of Community Strategic Plan initiatives that are completed on a quarterly basis	N/A	N/A	N/A	40%	40%	40%		
Percentage of community responding positively to the future direction of the City	70%	70%	69%	85%	85%	85%		
Percentage of community responding positively regarding satisfaction with City services	71%	71%	69%	85%	85%	85%		

Budgeting by Priorities

Budget offer

Responsible Government

Department Name: PUBLIC WORKS

Id: 000038

City Vehicle Management

What: The City Vehicle Management offer provides the resources necessary to deliver fleet services within the City's two fleet shops. This joint offer between Public Works and the Fire Department ensures that City of Redmond vehicles and equipment are safe, reliable, available to City staff and fully functional for the City's operational and emergency service needs. Fleet Services staff also provide contracted preventive maintenance and repair services on response vehicles and equipment for the neighboring fire departments of Bothell and Mercer Island. Revenue from these services offsets the operational costs while supporting smaller cities.

Why: The ability of City staff to provide services and respond to public safety emergencies is heavily dependent on the vehicles and equipment required to get them to their destination and perform their work. The fleet services within this offer directly correlate to the community's positive satisfaction level toward overall City services provided by City staff.

Who: Fleet Services is comprised of certified fleet professionals who are responsive to a variety of customers, including other fire agencies and City of Redmond staff who rely on these assets. Vehicles and equipment are critical resources for responding to police and fire emergencies, as well as in the delivery of day-to-day services across all City departments. Additionally, services extend to nearby communities served by Redmond Medic One including Kirkland, Woodinville, Duvall, Juanita, Sammamish and Carnation. By receiving reliable and dependable customer-centered fleet services, City staff can serve our ultimate customer, 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: Using a managed approach, two shops maintain the City's combined fleet of 367 emergency and non-emergency vehicles, heavy construction equipment and approximately 300 pieces of smaller equipment, totaling a value of nearly \$34 million. City Fleet Services provides ongoing support to Redmond's Citywide operations with comprehensive fleet management services from asset acquisition to final disposition, as well as providing maintenance services for the outside fire agencies of Mercer Island and Bothell. Fleet Services works collaboratively across all City departments to provide quality service and responsible financial stewardship, while upholding governing policies and regulations. Fleet Services follows governmental fleet industry best practices delivering these programmatic services:

- Preventive Maintenance and Repairs - An effective preventive maintenance program is critical to reducing maintenance costs, repairs and vehicle downtime. Fleet Services uses preventive maintenance practices that meet or exceed manufacturers' guidelines along with maintaining

Budgeting by Priorities

Budget offer

Responsible Government

Department Name: PUBLIC WORKS

Id: 000038

City Vehicle Management

an inventory of frequently needed parts. These practices lengthen vehicle lifecycles, increase residual values at the time of disposal and ensure vehicle reliability and readiness.

- Utilization and Replacement Management - The timely replacement of vehicles and equipment requires a systematic approach focusing on predicting proper asset lifecycles based on asset age, utilization and cost data. Utilization is the process of ensuring the vehicles and equipment in the fleet are used at a level that financially justifies their continued ownership. Managing these two core areas properly, speaks directly to Fleet's financial accountability role with maintenance and capital cost management.
- Procurement - Fleet Services collaborates with City Departments throughout the acquisition process. Once the most suitable vehicle or equipment has been determined to support the work, asset specifications are created based on a wide range of criteria including lifecycle costs, suitability for the function, and standardization of the fleet. Leveraging joint purchasing agreements, Fleet Services focuses on purchasing the lowest-emission vehicle possible with an outcome that supports fiscal responsibility and delivers quality customer service.
- 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 auto-gas for the City's vehicles and equipment 24 hours a day, 7 days a week. Propane auto-gas, added to the fuel program in 2016, is a "green" fuel source, supporting the City of Redmond's Climate Action Plan.
- Small Engine Equipment - Fleet Services also provides preventive maintenance and repairs to small engine equipment used by City staff, with the majority supporting parks and street maintenance activities. The program is much like the services provided for large equipment and vehicles, focusing on customer needs, safety and preserving asset life.

Demonstrated Efficiencies: Over the last 27 years, Fleet Services has functioned at a Managed level of Service with its current staff by removing under-utilized vehicles and implementing process improvements, such as improving the Police vehicle up-fitting process and the Police motorcycles maintenance process, resulting in time and cost savings to Fleet Services. Fleet Services has also taken large strides in process improvement through acquiring and beginning the implementation a new fleet maintenance software, AssetWorks, in 2018. We reviewed and documented current and recommended future state workflows through a formal Business Process Review in 2017 with a goal of delivering a Proactive level of service.

Above Baseline:

- Full time Mechanic (\$234,260 ongoing) - A service technician has not been added to Public Works fleet staff since 1991. In correlation to the growth of the City, the size of Redmond's fleet has since increased from approximately 150 units to over 300 it has today. The maintenance required of the vehicles and equipment has also become increasingly complex. Funding a Mechanic (1.00 FTE) position will support the demands of the maintenance of the City's vehicles and equipment.
- AssetWorks Integration (\$150,000 one-time) - Funding this work would begin the work of integrating AssetWorks (Fleet Management) with other City systems creating new efficiencies and a new level of effectiveness.

Below Baseline:

Budgeting by Priorities

Budget offer

Responsible Government

Department Name: PUBLIC WORKS

Id: 000038

City Vehicle Management

2% Scalability (\$156,914) - This reduction would scale back the purchase of parts, pushing out the length of time between preventive maintenance services on all vehicles and equipment, aside from all those used for public safety and emergency response. Reducing the frequency and preventive maintenance performed would delay service intervals beyond manufacturer recommendations, voiding warranties, which could increase cost of ownership on those assets and would move from a Managed service level to more Reactive.

3% Scalability (\$235,371) - In addition to the 2% reduction, scale back maintenance services on emergency response vehicles and equipment (except those within Police, Fire and outside agencies [\$78,893]). The availability and reliability of the City's vehicles would be at risk, which could negatively affect staff response times to emergency calls.

5% Scalability (\$392,285) - A reduction of this size includes service impacts mentioned in the 2% and 3% scalability and would require eliminating a full time service technician position (\$156,914). The remaining technicians would only perform tasks such as diagnostics and emergency repairs, reducing the service level from Managed to Reactive. City staff would experience even more frequent and extended downtime of their vehicles and equipment, which would affect their ability to perform work effectively, reducing the community's satisfaction level with City services.

Budget Changes: No changes to the baseline budget

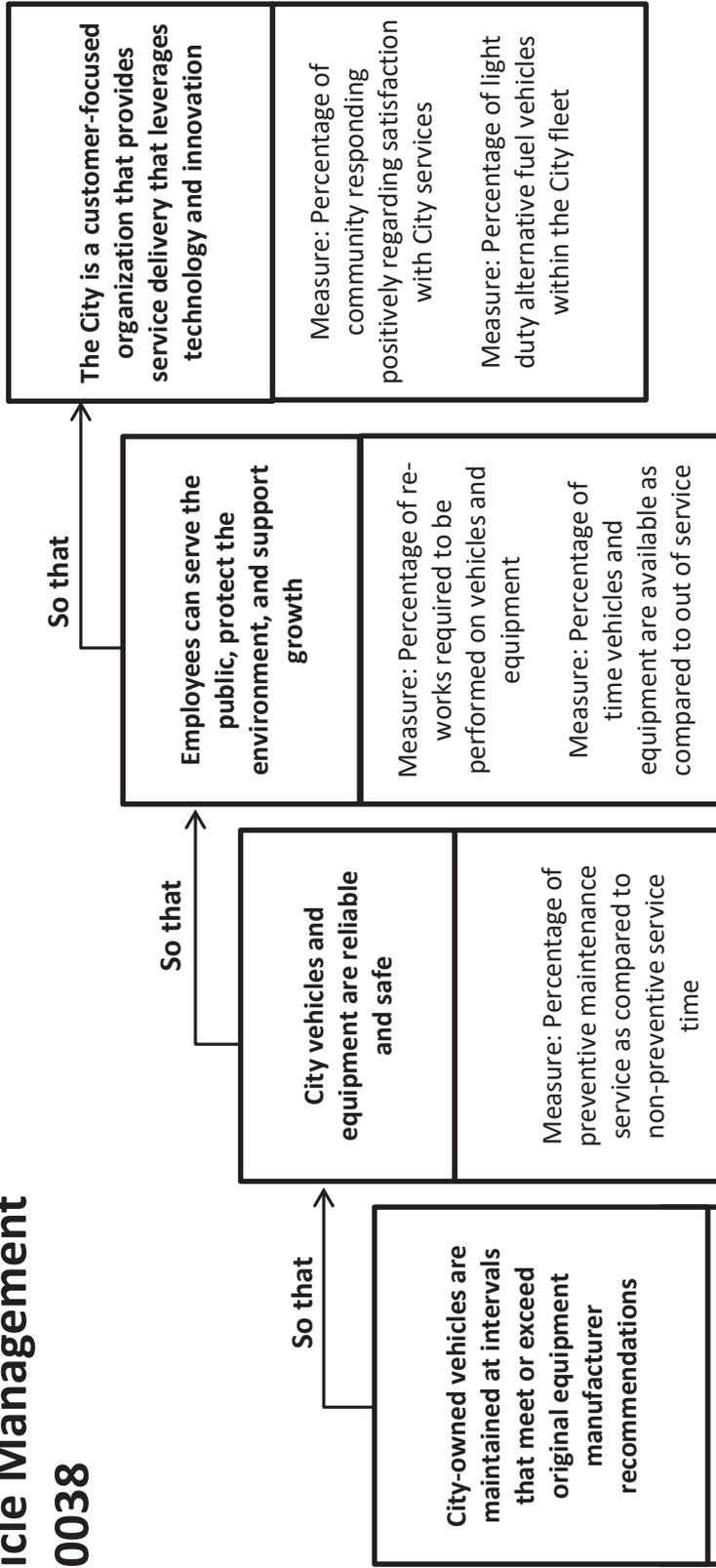
Budget Offer Summary

Expenditure summary

	Year 1	Year 2	Total
Ongoing-Sal/Ben	\$1,267,161.40	\$1,313,855.48	\$2,581,016.88
Ongoing-Others	\$2,547,545.50	\$2,717,137.50	\$5,264,683.00
One-Time-Others	\$0.00	\$0.00	\$0.00
Total	\$3,814,706.90	\$4,030,992.98	\$7,845,699.88

	FTE Year1	FTE Year2
FTEs	10.53	10.53

City Vehicle Management Offer 000038



Performance Measure	Actual				Target	
	2015	2016	2017	2018	2019	2020
Percentage of preventive maintenance services completed within the month they are due *	N/A	N/A	N/A	N/A	95%	95%
Percentage of preventive maintenance service compared to non-preventive service time*	N/A	N/A	N/A	N/A	70%	70%
Percentage of re-works required to be performed on vehicles and equipment	1%	<1%	<1%	<5%	<5%	<5%
Percentage of time vehicles and equipment are available as compared to out of service *	N/A	N/A	N/A	N/A	95%	95%
Percentage of community responding positively regarding satisfaction with City services	71%	71%	69%	85%	85%	85%
Percentage of light duty alternative fuel vehicles within the City fleet	16%	21%	25%	30%	35%	40%

* New performance measure starting in 2019 with the implementation of AssetWorks software

Budgeting by Priorities

Budget offer

Responsible Government

Department Name: TIS

Id: 000024

Technology and Data Systems

What: The Technology and Information Services (TIS) mission is to connect people, process, and technology in effective and innovative ways that enable the City to meet the needs of the community. TIS strategic goals focus on customer service, access to data, robust infrastructure, wise investments in technology, continuous process improvement, innovation and employee engagement. The variety of services supported by this offer ensure the reliability and availability of the City's myriad technologies, allowing Redmond residents, businesses and employees to conduct daily business. Examples of these services include a customer-focused service desk, desktop support, telephone VoIP and network resources, a selection of technology tools, ongoing support, maintenance and replacement of citywide systems and maintaining a comprehensive Geographic Information System (GIS).

Why: Today, it is nearly impossible to conduct business transactions, in whole or in part, without a computer and the underlying technology to support it. The Technology and Information Services Department serves the Redmond community by supporting systems that schedule inspections, allow for class registration, log evidence of crimes or track requests to begin water service. This offer supports the Responsible Government priority outcome of service delivery that leverages technology and innovation. Specifically, this offer enables the City to keep pace with evolving technology and stay aligned with their tech-savvy customers.

Who: The primary customers of the Technology and Data Systems offer are staff in all departments who are responsible for delivering City services and use information and technology systems to complete their work. Increasingly, residents, business owners, and other stakeholders are also customers of these services as they directly use the information and technology products the City provides.

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: Technology and Information Services is comprised of four service groups that provide support to the City of Redmond technology systems and infrastructure; this includes Operations, Business Solutions, GIS, and Innovations.

- The Operations group is responsible for managing and maintaining the City's network and telecom systems and client and server infrastructure as well as providing front line end user support through the Service Desk.
- The Business Solutions group includes system support for enterprise applications and helps business areas leverage technology to meet customer needs.

Budgeting by Priorities

Budget offer

Responsible Government

Department Name: TIS

Id: 000024

Technology and Data Systems

- The GIS Services group provides GIS leadership for the City's overall GIS program, manages backend GIS technology, provides database maintenance, design, and systems integration as well as produces standard map products, data analytics, and support to departmental GIS users.
- The Innovations group provides programming and reporting services, develops a structured approach to technology training, develops a model for continuous improvement used within TIS and supports innovation and continuous improvement across the organization.

Demonstrated Efficiencies: Technology and Information Services continues to work on productivity gains through people, processes and technology. Process improvement has taken place in areas such as, work order management and account creation which helps the Department to meet service level agreements over 80% of the time. For example, online GIS applications receive 1,100 visits a day and over 30,000 per month with an estimated 300 direct users of the data internally. TIS services and tracks 1,200 email accounts, 1,300 telephones and voice mail accounts, 130 printers and 160 servers for applications and files storage.

Above Baseline:

- Mobile Devices (\$93,600 one-time) - Procure mobile devices for Park Operations to allow staff to access their asset management system (Lucity) in the field.
- Fiber Management Support (\$95,000 one-time and \$100,000 ongoing) - This funding allows us to develop a fiber operations plan, repair at least two fiber breaks in the biennium, implement best practices, provide diagnostic tools, and future design work to connect fiber to Fire Station 18 and the Novelty Hill water pump station and operation center.
- Strategic Plan Development and Implementation (\$250,000 one-time) - In 2017, the Technology and Information Services Department created a strategic plan to provide a road map for citywide technology services. In the next biennium, the Department hopes to capitalize on the plan by developing an implementation plan including recommendations for new technology, return on investment analysis, a forecast of future community technology needs and proposed timelines for implementation.
- Cybersecurity Enhancements: (\$331,000 ongoing) - The following enhancements will strengthen our cybersecurity and make us more proactive: Critical Informatics active monitoring and threat detection, Cisco Umbrella web filtering, Exchange Online Advanced Threat Protection and Knowbe4 End User Training (Software for testing cybersecurity).
- Aerial and Lidar Data (\$100,000 one-time) - Collect current aerial photography and Lidar and use it to update existing GIS data layers eliminating fieldwork for some data updates.
- GIS Asset Data Gaps (\$500,000 one-time) - The City's asset management program relies on accurate GIS data to make management and maintenance decisions. Several assets have incomplete data or were never mapped.
- Easements and Real Property GIS Data (\$200,000 one-time) - Map the location of all City easements and Real Property to help manage the City's property assets.
- Apple Support Managed Services (\$20,000 ongoing) - Enter into a managed services contract with an Apple vendor to support Apple products and eliminate possible cybersecurity risks.
- Project Information and Update Tool (\$55,000 one-time) - The community and City Council have expressed a desire for increased accessibility to additional information about projects within the land use and permitting process. The one-time support is needed to develop a web-

Budgeting by Priorities

Budget offer

Responsible Government

Department Name: TIS

Id: 000024

Technology and Data Systems

based approach where more information about land use applications can be made available to the public.

- DocuSign (\$18,000 ongoing) - Increase licensing for electronic signature software.
- Replace Information Technology Service Management Tool (\$200,000 one-time) - Replace the outdated service request management system with one that improves efficiency, offers staff self-service and more effectively tracks performance.
- Business Analyst Full Time Equivalent (FTE) (\$275,997 ongoing) - A business analyst dedicated to Parks is needed to leverage existing and future Parks technology. The position would focus on improvements in the use of and upgrades to ActiveNet, the creation of software integrations with other systems such as Dynamics AX, launch e-signatures for parks customers, ensure compliance and work closely with Finance on revenue collection.
- Standby Support for Public Safety (\$105,000 ongoing) - Provides after-hours stand-by support 24/7 to Redmond's 911 dispatch center. Alternatively, \$41,000 over the biennium would provide after-hours on-call coverage on weekends only, which matches the current level of support.
- Asset management system integrations(Lucity) (\$100,000 one-time) - Begin integrating Lacity with other City systems creating new efficiencies along with a new level of effectiveness.
- Innovations consulting and training (\$80,000 one-time) - External consulting and training expertise helps to speed the adoption of new systems and builds capabilities in existing systems. Focus will be on office productivity, business intelligence, data analytics and cloud-computing services.

Below Baseline:

2% Scalability (\$243,881) - The reduction will decrease funding for professional services, travel and training, limiting TIS in its ability to anticipate and prepare for technology needs of City staff. Reduction of professional services dollars would result in extended implementations and upgrades of all applications and hardware. For some portions of TIS, service levels would go from proactive to managed.

3% Scalability (\$365,822) - This reduction will eliminate the remaining funds for professional services, tuition and travel in addition to small tools and a 0.25 FTE in GIS. In addition to extended timelines for upgrades and applications, data capture for GIS will no longer meet defined service level agreements. By eliminating training dollars, obtaining new skills would be difficult, particularly keeping pace with the rapid changes in technology. Meeting service level agreements could fall from 82% to 75% with a reduction in staffing.

5% Scalability (\$609,703) - In addition to the reductions already mentioned above, repair and maintenance contracts for hardware and software would be reduced resulting in infrastructure or systems unavailability. A 0.50 FTE reduction in GIS would further delay the ability to capture data; impacting decision making by those dependent on timely data as well as the ability to meet service level agreements. The service would go from proactive to managed/reactive.

Budget Changes:

- Funded one-time purchase of asset management mobile devices for Parks Operations staff (\$93,600)

Budgeting by Priorities

Budget offer

Responsible Government

Department Name: TIS

Id: 000024

Technology and Data Systems

- Funded one-time Fiber Management Plan development (\$95,000)
- Funded one-time strategic plan development and implementation (\$250,000)
- Funded ongoing cybersecurity enhancements (\$331,000)
- Funded one-time aerial and lidar data (\$100,000)
- Funded one-time data capture for assets missing from GIS (\$250,000)
- Funded one-time data capture for easements and real property data missing from GIS (\$200,000)
- Funded ongoing Apple support managed services contract (\$20,000)
- Funded one-time project information update tool for public and private projects (\$55,000)
- Funded ongoing DocuSign software licensing (\$18,000)
- Unfunded a portion of office supplies for TIS (\$28,000)
- Unfunded a portion of professional services, rent and maintenance for Reprographics equipment due to closure of City Print Shop (\$135,000)

Budget Offer Summary

Expenditure summary

	Year 1	Year 2	Total
Ongoing-Sal/Ben	\$4,375,354.20	\$4,544,107.04	\$8,919,461.24
Ongoing-Others	\$1,930,208.62	\$1,972,898.45	\$3,903,107.07
One-Time-Others	\$763,600.00	\$280,000.00	\$1,043,600.00
Total	\$7,069,162.82	\$6,797,005.49	\$13,866,168.31

	FTE Year1	FTE Year2
FTEs	30.00	30.00

Technology and Data Systems Offer 000024

The City is a customer-focused organization that leverages technology and innovation

Measure: Percentage of community responding positively regarding satisfaction with City services

City staff can offer more effective and innovative services to the community

Measure: Number of business systems integrated with GIS
Measure: Percentage of City staff responding positively about the value our products and services bring to their service offerings

Business systems are available to deliver information when and where it is needed

Measure: Percentage of time Service Level Agreements are met for incidents
Measure: Number of supported system implementations, upgrades or enhancement projects completed

Support, implement and improve information technology solutions

Measure: Number of work orders submitted
Measure: Number of cybersecurity breaches

So that

So that

So that

Performance Measure	Actual			Target		
	2015	2016	2017	2018	2019	2020
Number of work orders submitted	9,590	10,362	11,414	16,700	16,700	16,700
Number of cybersecurity breaches	N/A	N/A	N/A	0	0	0
Percentage of time Service Level Agreements are met for incidents	88%	84%	82%	85%	85%	85%
Number of supported system implementations, upgrades or enhancement projects completed	N/A	N/A	N/A	N/A	25	30
Number of business systems integrated with GIS*	5	8	28	30	30	30
Percentage of City staff responding positively about the value our products and services bring to their service offerings	N/A	N/A	N/A	N/A	80	85
Percentage of community responding positively regarding satisfaction with City services	71%	71%	69%	85%	85%	85%

* Includes all integrations including modeling software as of 2017

Budgeting by Priorities

Budget offer

Responsible Government

Department Name: FINANCE

Id: 000104

Operating Reserves

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 that 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 or 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 are the main customer that the Operating Reserves 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 the reserves and contingencies mentioned below as well as replacement costs for equipment that will reach the end of its useful life during the 2019-2020 biennium. Much of this offer is supported by one-time funding as most of the dollars are a 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 in the future.

Budgeting by Priorities

Budget offer

Responsible Government

Department Name: FINANCE

Id: 000104

Operating Reserves

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

- General Fund Reserves calculated at 8.5% of General Fund Operating revenues (approximately \$7 million) as outlined in the City's fiscal policies;
- Economic Contingency representing a total of 4% of General Fund Operating revenues (approximately \$3.3 million) as cited in the City's fiscal policies;
- Salary and Benefit Contingency and Law Enforcement and Firefighters Plan 1 (LEOFF1) Reserves (approximately \$2.2 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;
- Capital Equipment Replacement representing the expenditures and reserves for replacement of equipment (approximately \$6.2 million) at the end of its useful life; and
- 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 \$13.8 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.

Above Baseline: No above baseline requests for this offer

Below Baseline:

2% Scalability (\$665,000) - 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 firefighters and paramedics. The current actuarial study suggests the long-term liability of the City for 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 the impacts.

3% Scalability (\$997,000) - 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.

5% Scalability (\$1,660,000) - This reduction would impact a combination of funds from reserves and equipment replacement would be decreased. With a 5% 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: No changes to the baseline budget

Budgeting by Priorities

Budget offer

Responsible Government

Department Name: FINANCE

Id: 000104

Operating Reserves

Budget Offer Summary

Expenditure summary

	Year 1	Year 2	Total
Ongoing-	\$46,521.45	\$46,521.45	\$93,042.90
One-Time-Others	\$2,338,666.69	\$765,600.00	\$3,104,266.69
One-Time-	\$1,007,103.45	\$27,503,190.77	\$28,510,294.22
Total	\$3,392,291.59	\$28,315,312.22	\$31,707,603.81

Operating Reserves Offer 000104

The City has a healthy financial condition
Measure: The City's Bond Rating

Operating resources are protected and continuity of services is maintained
Measure: Percentage of community responding positively regarding satisfaction with City services

The equipment used by employees is appropriate to support City services
The City can appropriately respond to unanticipated events
Measure: Percentage of value of equipment held in reserve
Measure: Percentage of reserves maintained at policy levels

The City provides adequate funding to replace outdated equipment
The City adheres to all financial policies regarding reserves and contingencies
Measure: Percentage of equipment replaced with in the appropriate timeframe
Measure: Value of items in the replacement program over \$5,000

So that

So that

So that

Performance Measure	Actual				Target	
	2015	2016	2017	2018	2019	2020
Percentage of equipment replaced with in the appropriate timeframe*	N/A	N/A	N/A	N/A	100%	100%
Value of items in the replacement program over \$5,000	\$11.4M	\$13.9M	N/A	\$12M	\$12M	\$12M
Percentage of value of equipment held in reserve	9%	9%	13%	20%	20%	20%
Percentage of reserves maintained at policy levels	100%	100%	100%	100%	100%	100%
Percentage of community responding positively regarding satisfaction with City services	71%	71%	69%	85%	85%	85%
The City's Bond Rating	AAA	AAA	AAA	AAA	AAA	AAA

*New performance measure added as of the 2019-2020 Budget