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**RESPONSIBLE GOVERNMENT**

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

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# RESPONSIBLE GOVERNMENT

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

## REQUEST FOR OFFERS

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### TEAM MEMBERS

**Team Lead:** Erik Scairpon, Police  
**Team Member:** Alaric Bien, Planning  
**Team Member:** Eric O'Neal, Parks  
**Team Member:** Ed Carolan, Fire

### 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.

**Calculation Method:** Data for this measure will be generated by the City's biennial survey.

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

**Measure Description:** The Price of Government is literally defined as the sum of all taxes, fees and charges collected by all sectors of city government divided by the aggregate personal income of that government's constituents. The calculation is used to define a band within which residents are willing to pay for government services. In Redmond, the band is 5%-6% of personal income which is typical for local governments.

**Calculation Method:** The sum of all taxes, fees and charges collected by Redmond divided by the aggregate personal income of the City's residents.

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**Indicator 3: The City's Bond Rating.**

**Measure Description:** A measure used to reflect the City's ability to meet and/or exceed fiscal policy benchmarks which contribute to an excellent credit rating. Some of these benchmarks include:

- The Price of Government remains within the 5%-6% range (see above).
- The City's general operating reserves and economic contingencies are budgeted at a level adequate to maintain future financial stability.
- User fee reviews are performed as scheduled.
- Long-range forecasts are prepared and used to plot an appropriate financial course and to make course corrections as necessary.

- The City maintains an annual contact with rating agencies to report on the City's current financial condition.
- Quarterly expenditures and revenue reports are presented to Council in a timely manner 100% of the time.

**Calculation Method:** Determined by bond rating agencies. Redmond's current rating is AAA with Standard and Poor's and Aa2 with Moody's Investor Service.

## INTRODUCTION/SUMMARY OF CAUSE & EFFECT MAP

The process for developing the cause and effect map for this budget priority included a review of the past two budget cycles and included team discussion and evaluation of previous efforts. The map starts with budget offers and their accompanying performance measurements. These budget offers should support one or more of the Responsible Government factors. Each of the Budgeting by Priority (BP) factors is measured against the performance measurements (indicators) so that the ultimate outcome of a responsible and responsive government is achieved. The performance measures of Responsible Government are the price of government, citizen satisfaction and the City's bond rating.

Fiscal Responsibility and Quality Service are the most obvious outcomes to residents and businesses. Effective and accountable leadership is required to deliver these results to the community. Community connections are an underlying factor that is required to ultimately have a responsible and responsive government. The Team believes that while some of these factors stand alone, they are all required for achieving a responsible and responsive government. Budget offers do not need to include all factors; refer to the cause and effect map for the relationship between these factors.

### **Factor 1: Fiscal Responsibility**

The City has a responsibility to manage its resources in a fiscally conservative and transparent manner so that our residents and the business community can be assured that we are properly administering the revenues that they provide. Planning for the future by forecasting future revenues and expenditures, developing a budget that allows for economic fluctuations and managing the condition of our assets all play an important role towards being a responsive and responsible government.

### **Factor 2: Quality Service**

Quality services can be assured through the provision of effective and efficient systems, operated by highly-qualified staff that is committed to providing a timely and appropriate response to the community. Reliable, friendly and responsive customer service is a priority. Knowledgeable and empowered staff meets or exceeds community expectations through proactive and innovative approaches.

### **Factor 3: Effective & Accountable Leadership**

Effective and accountable leadership provides vision, knowledge, skills and abilities throughout the organization that allows the City to deliver factors one and two (Fiscal Responsibility and Quality Service) to the community. Collaborative efforts such as engaging in cross-department alliances are valued, as are proactive measures to generate regional partnerships that foster cooperation and yield benefits across city boundaries or jurisdictional borders. As a high performing organization, the City seeks to provide opportunities for the professional development of staff and encourages all staff to share knowledge and expertise. Staff deliver leadership by making the right decisions at the right time for the

right reasons. All leaders must be accountable to their team, the organization and ultimately the community. Effective & Accountable Leadership supports the first two factors of Fiscal Responsibility and/or Quality Service.

#### **Factor 4: Community Connections**

A community is inclusive of all its residents, businesses, partners and visitors. Trust in government is earned through the open sharing of information and timely response to community concerns. A connected community should be informed on efforts to maintain a responsible government through transparency, distribution of information and indicators of how we are performing as a municipality.

Communication and dialogue supports involvement of community and the sharing of ideas and opinions. Strong community connections are required to maintain the City's awareness of community priorities in support of factors one through three (Fiscal Responsibility, Quality Service and Effective & Accountable Leadership). Strong community connections demonstrate responsiveness of leadership towards supporting fiscal responsibility and/or quality service.

## **PURCHASING STRATEGIES**

### **WE ARE LOOKING FOR OFFERS THAT:**

#### **Strategy 1: Support the Fiscal Responsibility and/or Quality Service factors.**

The Team believes these two factors are the highest priority to the community and can serve as stand alone strategies. Budget offers can be written directly to only one of these factors, or both, in order to support the ultimate outcome of a responsible and responsive government. The Team is looking for offers that draw connections between the fiscal responsibility factor and offering quality service.

Offers will be favored that demonstrate good stewardship, transparent budgeting practices, compliance with city policies and/or mandates and ways to leverage resources through matching grants or other outside funding sources. Any mandates or changes in government laws must be clearly defined within the offer.

Our customers are important to us. Any experience a customer has with the City may potentially 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 and provide a clear description of the proposed improvements.

#### **Strategy 2: Support Effective & Accountable Leadership as a way to achieve the Fiscal Responsibility and/or Quality Service factors.**

The Team believes that Effective and Accountable Leadership offers should be focused on supporting Fiscal Responsibility and/or Quality Service. Effective and Accountable Leadership helps ensure that the City is fiscally responsible and provides quality service. Leadership at all levels in the organization advances the execution of the City's vision/mission and allows for a high performing organization to thrive.

#### **Strategy 3: Support Community Connections and Effective and Accountable Leadership as a way to achieve the Fiscal Responsibility and/or Quality Service factors.**

The Team believes strong community connections support two important concepts. First, connections create opportunities for residents and businesses to inform the City of community concerns. Second, the City is able to keep the community informed of decisions, municipal performance and service issues. Community connections are necessary for effective and accountable leadership to demonstrate fiscal responsibility and/or quality service. Offers directed at Community Connections must demonstrate this relationship.

**Strategy 4: Offers that follow the High Performing Organization philosophy.**

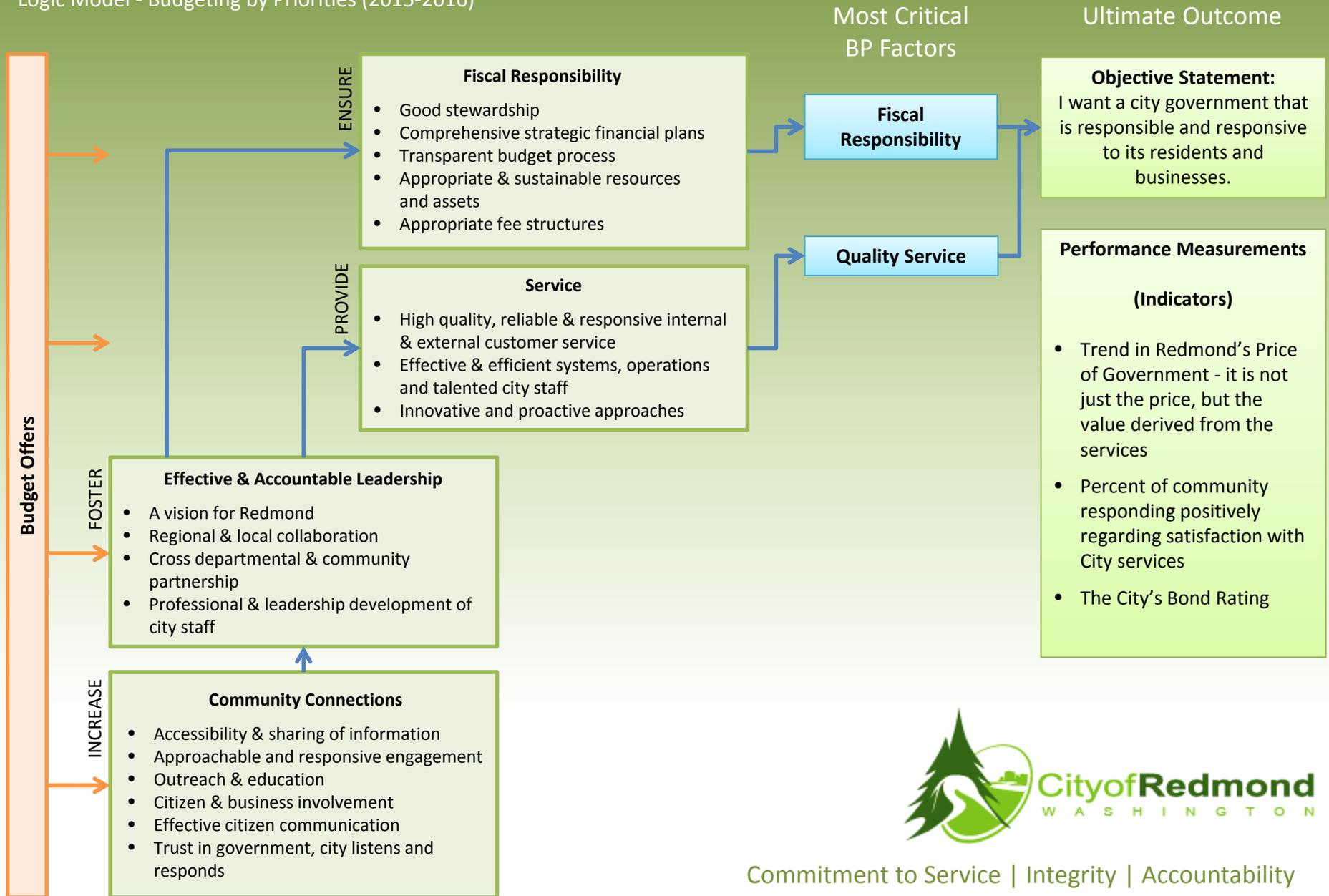
The Team would like to see offers that focus on cross-departmental collaboration working towards supporting the Responsible Government priority factors. Additionally, offers should look to support the City's values of Commitment to Service, Integrity and Accountability. We cannot do everything alone. In order to meet the expectations of the community, this team believes that City departments must work together and collaborate with other governments in the region and the private sector. Consider opportunities that build internal cooperation or involve regional and community based organizations and initiatives.

**NOTES/PRACTICES/SUPPORTING EVIDENCE**

1. EMC Research. (2014, February). City of Redmond Citizen Telephone Survey Results. Retrieved from <https://redmondbp.sharepoint.com/Results%20Team%20Library/Redmond%20Citizen%20Survey%20Report/2013%20Citizen%20Survey%20Report.pdf>.
2. P.5: Q2 77% of residents responded that the City is headed in the right direction. The Team felt this was strong evidence to continue with past Budgeting by Priorities materials and refresh as required to meet current challenges.
3. P.13: Q10 - 27% of Redmond residents feel that they are not well informed. The Team assumes that the reported 30% of citizens that rate the City as only fair or poor (Q9, Q12) in the areas of focusing on priorities that matter to residents and the responsible use of tax dollars could be improved through better community communication.
4. City of Redmond. (2012). Dashboard performance indicators: Responsible government. P31-46.
5. The Team reviewed the different dashboard performance indicators that comprise the Responsible Government priority to consider the purchasing strategies for this RFO.
6. The Team reviewed 2013-2014 Budgeting by Priorities rankings, feedback and reference materials.

# Responsible Government

Logic Model - Budgeting by Priorities (2015-2016)



Commitment to Service | Integrity | Accountability

**RESPONSIBLE GOVERNMENT**  
**2015-2016 OFFER SUMMARY**

**OFFER ORDER**

Page No	Offer #	Offer	Department	2015-2016 Adopted Budget <sup>1</sup>
194	EXE2794	City Administration, Management and Leadership	Executive	\$2,450,980
199	EXE2842	City Council	Executive	\$347,948
202	FIN2721	Service Desk	Finance	\$671,899
206	FIN2802	Protection and Replacement of Operating Resources	Finance	\$17,043,312
210	FIN2832	Prudent Financial Management	Finance	\$4,695,768
215	FIN2834	Business System Solutions	Finance	\$2,901,824
219	FIN2835	Robust Information Technology Infrastructure	Finance	\$3,390,379
223	FIN2840	City Clerk's Office Operations	Finance	\$1,070,915
228	FIN2862	Risk Management	Finance	\$2,823,008
231	FIN2873	Strategic Systems Investments	Finance	\$1,950,000
235	HUM2857	Human Resources	Human Resources	\$3,452,251
240	HUM2859	Safety and Workers' Compensation Programs	Human Resources	\$3,211,333
244	PW2814	Provide Dependable Vehicles and Equipment	Public Works	\$8,079,528
			<b>Total</b>	<b>\$52,089,145</b>

**OFFER RANKINGS**

Department	Offer #	Offer	Results Team Ranking <sup>2</sup>	
			Staff	Civic
Executive	EXE2842	City Council	1	1
Executive	EXE2794	City Administration, Management and Leadership	2	1
Finance	FIN2832	Prudent Financial Management	3	5
Human Resources	HUM2859	Safety and Workers' Compensation Programs	4	5
Human Resources	HUM2857	Human Resources	5	2
Finance	FIN2862	Risk Management	6	5
Finance	FIN2840	City Clerk's Office Operations	7	1
Finance	FIN2721	Service Desk	8	8
Finance	FIN2835	Robust Information Technology Infrastructure	9	6
Finance	FIN2834	Business System Solutions	10	8
Finance	FIN2802	Protection and Replacement of Operating Resources	11	5
Public Works	PW2814	Provide Dependable Vehicles and Equipment	12	10
Finance	FIN2873	Strategic Systems Investments	13	13

**Notes:**

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

# BUDGETING BY PRIORITIES

## BUDGET OFFER

### RESPONSIBLE GOVERNMENT

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**Department Name:** EXECUTIVE  
**Type of Offer:** OFFER - ONGOING

**Id:** EXE2794

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#### CITY ADMINISTRATION, MANAGEMENT AND LEADERSHIP

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##### **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 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 EXE2871, Community Engagement Services).

As part of the administration of the City, the Mayor's Office manages civil legal services under a contract by Ogden Murphy Wallace (OMW) who provide legal counsel to the Mayor, City Council, Boards, Commissions and City staff. OMW negotiates labor and other contracts and represents the City in civil and criminal proceedings (please see offer EXE2850 for legal and staff expenses).

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 philosophical approach of a High Performance Organization (HPO) within the City, and continues to advance implementation with ongoing engagement of Department Directors and senior managers from all departments, encouraging the involvement of staff at all levels of the organization (please see offer HUM2857 for HPO development efforts). 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.

**Why:** The Mayor's Office continued administration, management and coordination of City activities advance citizen's 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.

Civil legal services are a critical element in supporting effective administration. Civil legal services ensure City business is conducted legally and that litigation risks are minimized. Quality services are provided through careful adherence to Federal and State law and City ordinances. Prudent use of civil legal services safeguards public resources and City interests in matters of litigation, labor relations and risk management, demonstrating fiscal responsibility.

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.

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Id: EXE2794

# BUDGETING BY PRIORITIES

## BUDGET OFFER

### RESPONSIBLE GOVERNMENT

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**Department Name:** EXECUTIVE  
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**Id:** EXE2794

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#### CITY ADMINISTRATION, MANAGEMENT AND LEADERSHIP

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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 community involvement, providing excellent customer service and transparency in City government, and reinforcing credibility that the City is effectively and efficiently serving their needs.

**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 their 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:

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

*Above Baseline:* The City Administration, Management and Leadership offer contains a one-time Innovation Fund (Citywide program) of \$200,000. Originally funded in the 2013-2014 biennium, the fund provides one-time seed money to support individual employees or teams who create productivity enhancing ideas. The City has been using high performing organization (HPO) techniques and process improvement ideas to foster a pioneering spirit and continuous learning environment to capture innovative ideas and to encourage creative thinking. In 2013, the Innovation Fund supported community engagement ideas through new technology such as Ideascale, and improved employee efficiency through timekeeping and volunteer scheduling software. Effective and efficient systems and operations are core to supporting superior customer service and fiscal responsibility. The Innovation Fund speaks to both these goals by fostering proactive and innovative approaches to City services.

*Below Baseline:* A proposed 5% reduction (\$122,549) in the services above includes:

1. The Innovation Fund is a Citywide program, identified above under "Above Baseline". It could be scaled to \$100,000 if one-time money is not available for the program, reducing the Innovation Fund. In 2013-2014, funding of \$150,000 allowed the Innovations Team to fund eight innovative programs; however there were many more ideas than available funding. A decrease in funding has a direct impact on the amount of innovative ideas that could be supported, affecting the return on investment that could be realized.
2. Discontinuing City membership in the National League of Cities (\$9,340).
3. Reducing City sponsorship in Leadership Eastside by \$3,000 a year as City sponsorship was \$6,000 in 2012 and \$10,000 in 2013 (\$6,000).
4. Reducing the currently unfilled Administrative Specialist position in the Mayor's Office from full-time to half-time (\$91,235). The Administrative Specialist is the first point of contact for customer service in the Mayor's Office for City staff and the public. Position responsibilities include answering phone calls to the Mayor's Office, problem solving customer needs, responding to the public and staff who come to the office,

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Id: EXE2794

# BUDGETING BY PRIORITIES

## BUDGET OFFER

### RESPONSIBLE GOVERNMENT

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**Department Name:** EXECUTIVE  
**Type of Offer:** OFFER - ONGOING

**Id:** EXE2794

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#### CITY ADMINISTRATION, MANAGEMENT AND LEADERSHIP

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arranging logistics for the Mayor, Councilmembers and staff meetings, coordinating agendas for the Executive Department and City Council agenda items, drafting proclamations and agenda memos for Board and Commission appointments, proofing and formatting correspondence and reports, routing contracts for review and signature within the City, preparing expense claim forms, monitoring and purchasing supplies, mail, filing, providing hands-on technical computer assistance and other support for Mayor and Office staff and assisting where needed.

Currently, two administrative staff provide direct customer service, on the phone and at the counter, for those contacting the Mayor and Mayor's Office, as well as supporting internal staff. With the proposed scalability reduction, the Administrative Specialist position would only be available half-time to provide customer service and as a result, the Office would provide a lower level of service. Some phone calls would go to voicemail instead of being answered, at times there would be no administrative staff to respond to the public or staff that come to the Office, and support for the Mayor and Office staff would be very limited. A reduction in service in the Mayor's Office will affect the overall customer service scores the City received from the Community. Overall the Redmond community is satisfied with City service and this could change if citizens and businesses feel they do not have access to the Mayor's Office.

5. Discontinuing the biennial citizen survey (\$30,000). The biennial citizen survey is managed through the Executive Office. Discontinuing this survey would essentially eliminate the tool the City uses to gauge the community's satisfaction with City services. Redmond has a long standing practice of statistically validating the community's thinking about the City's leadership, future plans and effectiveness of services. The survey is also used as a community engagement effort, trying to keep the community engaged in a discussion about the future direction of the City.

The Executive Office recommends reducing the Innovation Fund by \$100,000 if one-time money is not available for the program (\$100,000), discontinuing City membership in the National League of Cities (\$9,340) and reducing City sponsorship in Leadership Eastside by \$3,000 a year (\$6,000).

#### **Prelim Changes:**

Recommended change to the offer includes:

- Support the Innovation Fund with one-time funds of \$200,000 in 2015-2016
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Id: EXE2794

**BUDGETING BY PRIORITIES**  
**BUDGET OFFER**  
**RESPONSIBLE GOVERNMENT**

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**Department Name:** EXECUTIVE  
**Type of Offer:** OFFER - ONGOING

**Id:** EXE2794

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**CITY ADMINISTRATION, MANAGEMENT AND LEADERSHIP**

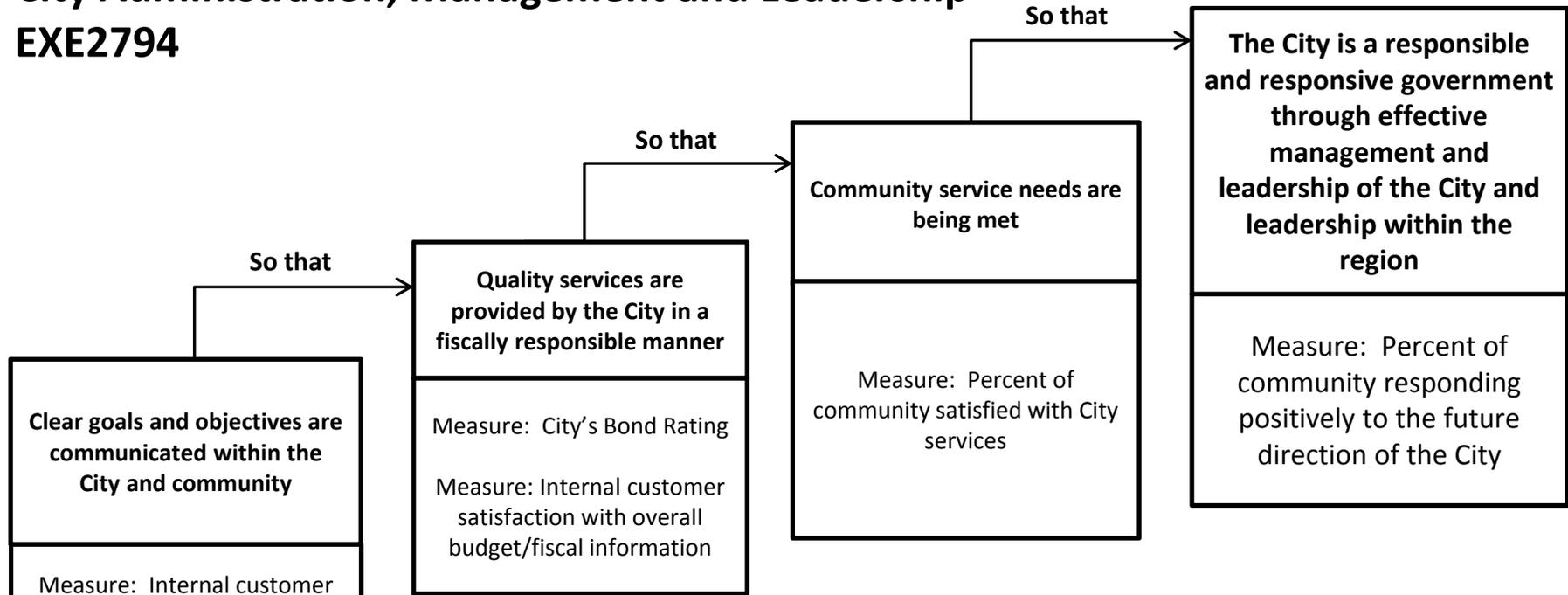
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**Budget Offer Summary:**

**Expenditure Summary**

	2015	2016	Total
<b>Ongoing-Sal/Ben</b>	\$738,324	\$786,306	\$1,524,630
<b>Ongoing-Others</b>	\$346,178	\$350,172	\$696,350
<b>OneTime-Sal/Ben</b>	\$0	\$0	\$0
<b>OneTime-Others</b>	\$230,000	\$0	\$230,000
<b>TOTAL</b>	<u>\$1,314,502</u>	<u>\$1,136,478</u>	<u>\$2,450,980</u>
<b>FTEs</b>	5.000	5.000	

# City Administration, Management and Leadership EXE2794



Performance Measure	Actual			Target		
	2011	2012	2013	2014	2015	2016
Percent of City employees satisfied with creative services from Communications Office per internal city survey	55%	N/A	62%	70%	75%	80%
Percent of community members reporting they feel informed about programs and issues per citizen survey	68%	N/A*	47%	65%	70%	70%
Percent of City employees satisfied with overall budget and fiscal information per internal city survey and Finance survey	81%	91%	89%	95%	95%	95%
Percent of community satisfied with City services per citizen survey	84%	N/A*	73%	85%	85%	85%
Percent of community responding positively to future direction of the City per citizen survey	83%	N/A*	77%	85%	85%	85%

\*Note: The annual internal customer survey was not available in 2012

# BUDGETING BY PRIORITIES

## BUDGET OFFER

### RESPONSIBLE GOVERNMENT

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**Department Name:** EXECUTIVE  
**Type of Offer:** OFFER - ONGOING

**Id:** EXE2842

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#### CITY COUNCIL

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#### 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 their 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, their leadership is reflected in their community 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, the Council hears 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. They demonstrate 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 their 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, they provide the checks and balances necessary to foster responsible and responsive government services. In their role as the "board of directors" they 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 perform their duties to 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:

- Citizens 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:

*Baseline:* This baseline covers the legislative branch of Redmond City government, funding the salaries of seven elected Council members 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

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Id: EXE2842

# BUDGETING BY PRIORITIES

## BUDGET OFFER

### RESPONSIBLE GOVERNMENT

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**Department Name:** EXECUTIVE  
**Type of Offer:** OFFER - ONGOING

**Id:** EXE2842

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### CITY COUNCIL

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regional partnerships, and collaboration on issues that are important to the Redmond community and the surrounding region.

*Below Baseline:* A 5% reduction of the total budget request would equal \$17,397. To achieve this reduction, the travel and conference registration budgets would be reduced by \$9,300. This would limit Councilmember attendance at national, state and local conferences, and limit Councilmembers' 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 would decline. Professional services (facilitators for retreats) would be reduced by \$3,200; this reduction affects Council retreat discussions on future strategies, which would impact community satisfaction with the City's future direction. If additional reductions are necessary, the City Council will determine what reductions to take.

**Prelim Changes:**

No change in program.

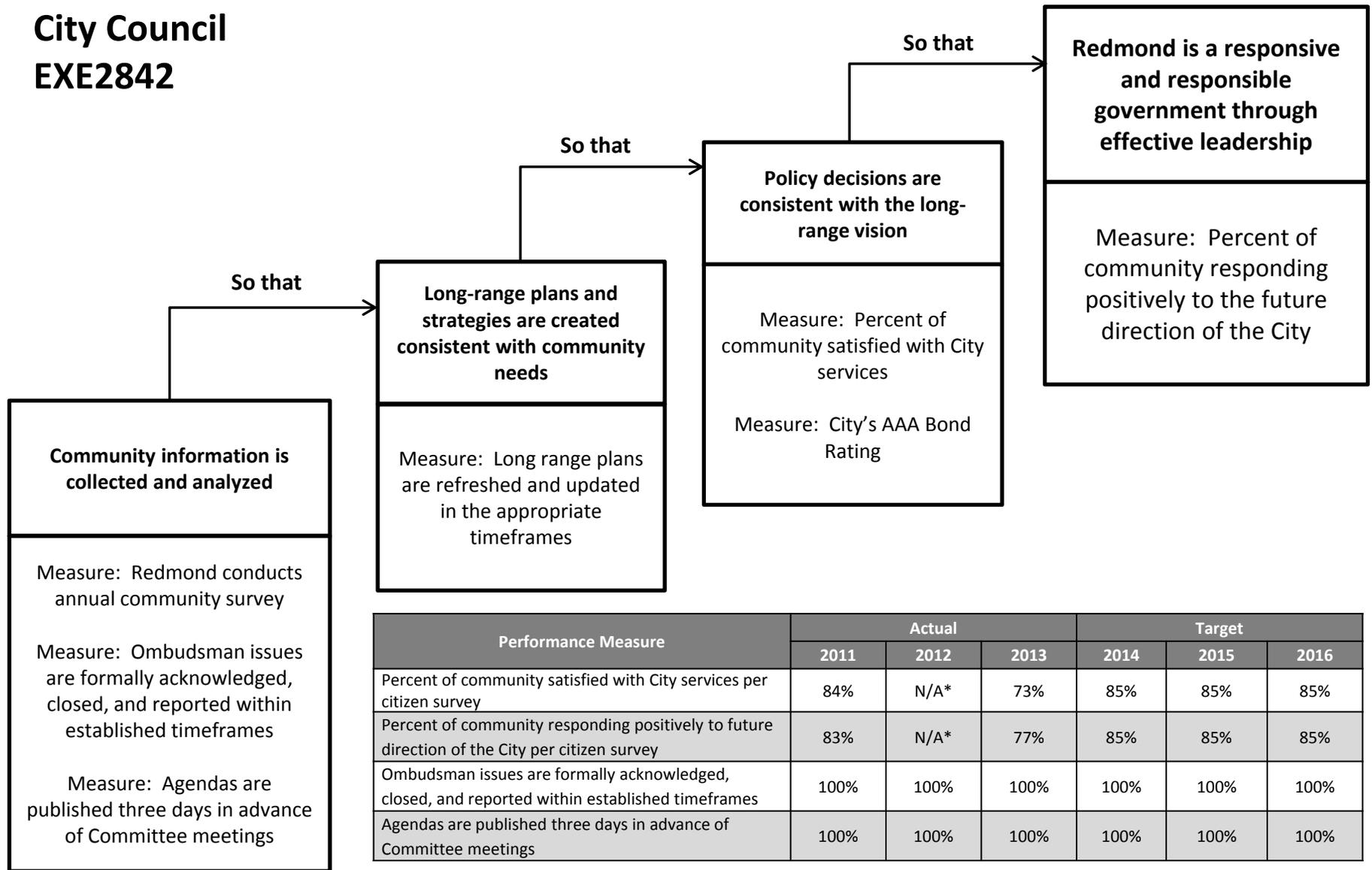
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**Budget Offer Summary:**

**Expenditure Summary**

	2015	2016	Total
<b>Ongoing-Sal/Ben</b>	\$119,124	\$119,124	\$238,248
<b>Ongoing-Others</b>	\$54,675	\$55,025	\$109,700
<b>OneTime-Sal/Ben</b>	\$0	\$0	\$0
<b>OneTime-Others</b>	\$0	\$0	\$0
<b>TOTAL</b>	<u>\$173,799</u>	<u>\$174,149</u>	<u>\$347,948</u>
<b>FTEs</b>	7.000	7.000	

# City Council EXE2842



\*Note: The annual internal customer survey was not available in 2012

# BUDGETING BY PRIORITIES

## BUDGET OFFER

### RESPONSIBLE GOVERNMENT

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

**Id:** FIN2721

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#### SERVICE DESK

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##### 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 get the services and support they need when they need it. The Service Desk processed over 5,000 work orders in 2013 (over 400 requests per month) for repairs and service requests and as of May 2014, almost 3,000 work orders have been generated.

In order to serve our customers better, IS has transformed our IS Help Desk into a customer centric Service Desk with the responsibility of being the advocate for the customer. The Service Desk is now staffed by a customer service representative who acts as the voice of the customer and holds the rest of the IS organization accountable to meeting our customer's expectations. We believe that we can increase customer 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. As part of this transformation, we have revamped our Service Desk, created a service catalogue, started establishing Service Level Agreements (SLA) and initiating internal process improvements and automation. (Note: Service Level Agreements are agreements between the business units and IS on what services we provide, how we provide the services, when we provide the services and the cost of the service.)

The Service Desk is now responsible for:

- **In-take Work Orders** - Get all the information necessary to provide service to customer;
- **Assign Work Orders** - Route the work order to the appropriate technician;
- **Monitor Work Orders** - Ensure that the technician is following up on the work order with the requestor according to Service Level Agreements;
- **Report on Work Orders** - Develop reports that measure how well IS responds to work orders; and
- **Close-Out Work Orders** - Conduct root-cause analysis; develop both a Frequently Asked Questions and a How-to reference to reduce the number of work orders submitted.

During this transition to the new Service Desk model, IS has been using salary savings from two vacant positions to fund a contractor on the Service Desk. Going forward, IS intends to reclassify these vacant positions (Print Shop Specialist and Network Manager) to Service Desk Technicians in recognition of the need to become more customer focused, transparent and accountable.

The Service Desk offer also includes the operation of the Print Shop function that will provide high volume copying and printing services. The Print Shop will be outsourced and the cost savings will be used to fund one of the service desk positions.

Information Services has chosen to separate the Service Desk offer from the general infrastructure offer to give more visibility and to more closely align it with the appropriate priority. All components of this offer have been approved in previous budget cycles as part of the Information Service Division offer.

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

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Id: FIN2721

# BUDGETING BY PRIORITIES

## BUDGET OFFER

### RESPONSIBLE GOVERNMENT

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

**Id:** FIN2721

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#### SERVICE DESK

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- **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;
- **Quality Service** - The Service Desk is the Front Door to IS and is the focal point for customer service providing the initial contact on all requests to IS. 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
- **Effective and Accountable Leadership** - The Service Desk is responsible for ensuring that IS is being held accountable to the Service Level Agreements we have established with our customers and that our customers' needs and expectations are being met.

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

#### Results:

*Baseline:* 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 technician positions funded by reclassifying the vacant Print Shop Specialist and the Network Communications Manager. Currently, the positions are filled with contract staff funded by the salary savings from the vacant Print Shop Specialist and Network Communications Manager. This offer also includes the outsourcing of the Print Shop function.

*Below Baseline:* would include a 5% Reduction (\$33,643)

- **Service Desk (\$22,365):** A 5% reduction would reduce one of the Service Desk positions from full-time to half-time. 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.
- **Print Shop (\$11,278):** This offer provides full-time staffing of the Print Shop by using an outside contractor for printing services. If the reduction is taken, print shop hours will be reduced to part-time.

#### Prelim Changes:

No change in program.

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Id: FIN2721

**BUDGETING BY PRIORITIES**  
**BUDGET OFFER**  
**RESPONSIBLE GOVERNMENT**

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

**Id:** FIN2721

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**SERVICE DESK**

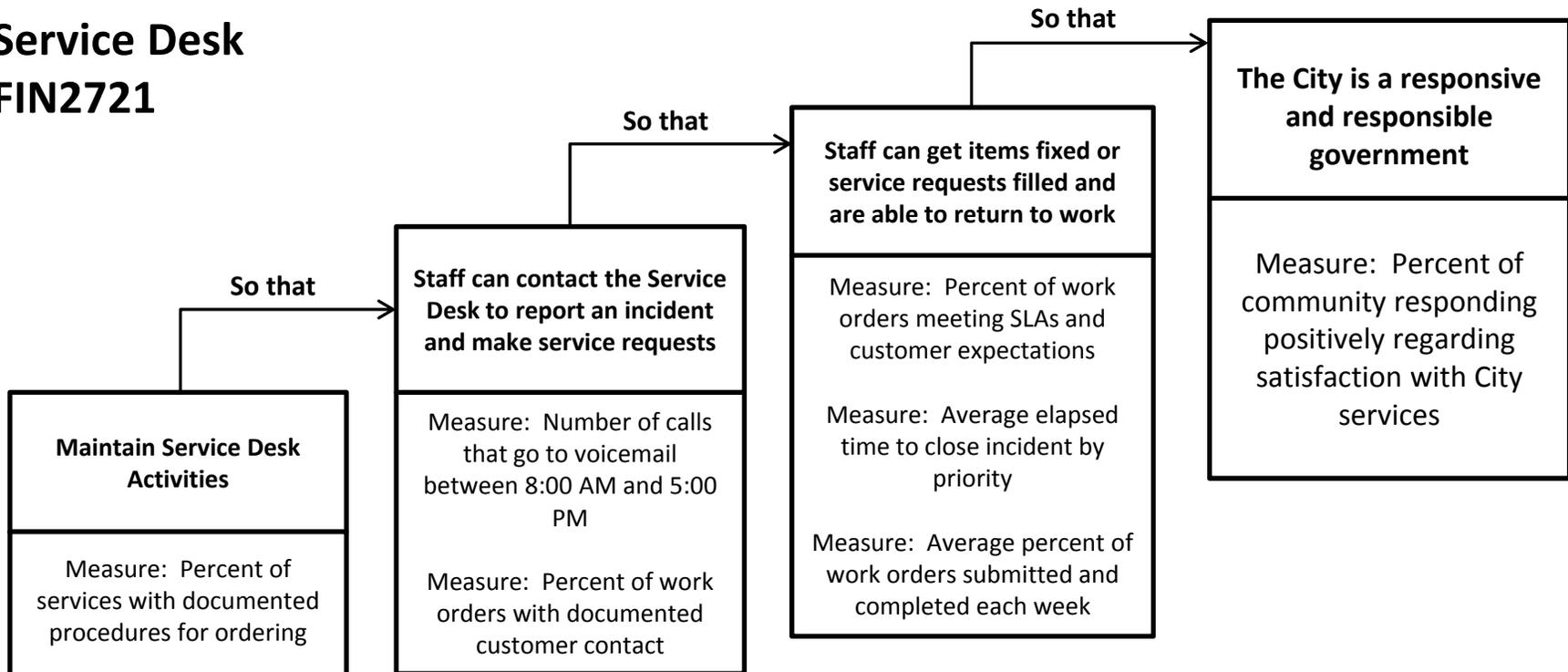
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**Budget Offer Summary:**

**Expenditure Summary**

	2015	2016	Total
<b>Ongoing-Sal/Ben</b>	\$205,039	\$213,800	\$418,839
<b>Ongoing-Others</b>	\$126,530	\$126,530	\$253,060
<b>OneTime-Sal/Ben</b>	\$0	\$0	\$0
<b>OneTime-Others</b>	\$0	\$0	\$0
<b>TOTAL</b>	<u>\$331,569</u>	<u>\$340,330</u>	<u>\$671,899</u>
<b>FTEs</b>	2.450	2.450	

# Service Desk FIN2721



Performance Measure	Actual			Target		
	2011	2012	2013	2014	2015	2016
Percent of services with documented procedures (NEW)	N/A	N/A	N/A	5%	50%	100%
Percent of services with SLA (NEW)	N/A	N/A	N/A	1%	25%	50%
Number of calls that go to voicemail between 8:00 AM and 5:00 PM (NEW)	N/A	N/A	N/A	52	52	52
Percent of work orders with documented customer contact (NEW)	N/A	N/A	N/A	50%	80%	90%
Percent of work orders meeting SLA's (NEW)	N/A	N/A	N/A	80%	80%	90%
Average elapsed time to close incidents (days) (NEW)	N/A	N/A	N/A	1	1	1
Average percent of work orders submitted and completed each week (NEW)	N/A	N/A	N/A	80%	80%	80%

# BUDGETING BY PRIORITIES

## BUDGET OFFER

### RESPONSIBLE GOVERNMENT

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

**Id:** FIN2802

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## PROTECTION AND REPLACEMENT OF OPERATING RESOURCES

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### 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. Included in this offer are Redmond's capital equipment replacement costs for the coming biennium as well as the reserves for future replacement of equipment. Specifically, the reserves and contingencies described in this offer include:

- **General Fund Reserves** calculated at 8.5% of General Fund Operating revenues (approximately \$6 million) as outlined in the City's fiscal policies;
- **Economic Contingency** representing a total of 4% of General Fund Operating revenues (approximately \$2.7 million) as cited in the City's fiscal policies;
- **Jail Contingency** designated by Council to fund a potential eastside jail (approximately \$450,000);
- **Law Enforcement and Firefighters Plan 1 (LEOFF1) Reserves** held to offset the City's liability to pay for lifetime medical costs for LEOFF 1 retirees (approximately \$650,000);
- **Salary and Benefit Contingency and Public Employees Retirement System (PERS)/LEOFF Contingency** (approximately \$2.3 million) set aside to mitigate increases in the City's union contracts above estimated projections and potential decisions by the state legislature that may affect employer contributed retirement costs; and
- **Capital Equipment Replacement** representing the expenditures and reserves for replacement of equipment (approximately \$4.2 million) at the end of its useful life.

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 assets.

**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. We also have 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.

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Id: FIN2802

# BUDGETING BY PRIORITIES

## BUDGET OFFER

### RESPONSIBLE GOVERNMENT

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

**Id:** FIN2802

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### PROTECTION AND REPLACEMENT OF OPERATING RESOURCES

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#### Results:

*Baseline:* The baseline offer includes all of the reserves and contingencies mentioned above as well as replacement costs for equipment that will reach the end of its useful life during the 2015-2016 biennium. 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.

*Above Baseline:* An additional, one-time request of \$500,000 is included in the offer for the protection and replacement of City equipment. Currently, the City has a total of 3,082 items over \$5,000 with an approximate value of \$20.7 million replaced out of the Replacement Fund. 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 large software purchases such as EnerGov and Dynamics, analysis has shown that cash flow in the fund will diminish substantially 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 80-90% depending on the amount of assets coming up for replacement in any given year.

*Below Baseline:* A one-time 5% reduction (\$642,000) in the reserves and contingencies would affect the contingency to mitigate PERS and LEOFF retirement cost increases from the State of Washington. The PERS/LOEFF Contingency currently equals \$944,000 and is used to mitigate the impacts of rising retirement costs on department budgets. Every biennium, the City builds in expenditure increases for employer retirement costs; however, these costs increases are not known before the City's budget is approved. If a portion of the contingency is eliminated and costs rise above current projections, other contingencies would need to be utilized to fill the gap or departments would need to absorb the increase in their budgets.

#### Prelim Changes:

Recommended decrease to the offer includes:

- A one-time \$500,000 originally proposed to help replenish the Capital Equipment Replacement Fund will be delayed until the next biennium
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**BUDGETING BY PRIORITIES**  
**BUDGET OFFER**  
**RESPONSIBLE GOVERNMENT**

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

**Id:** FIN2802

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**PROTECTION AND REPLACEMENT OF OPERATING RESOURCES**

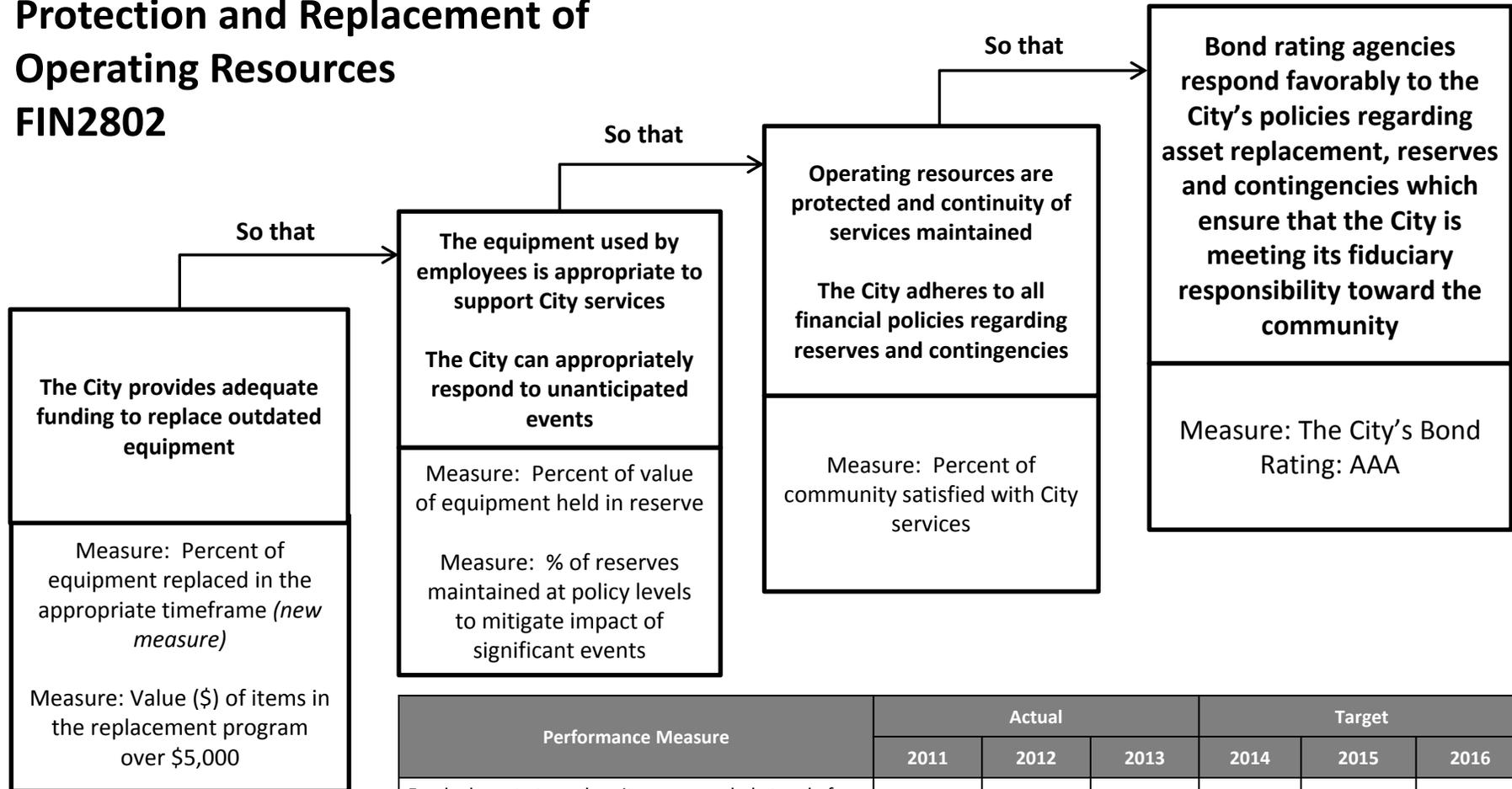
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**Budget Offer Summary:**

**Expenditure Summary**

	2015	2016	Total
<b>Ongoing-Sal/Ben</b>	\$0	\$0	\$0
<b>Ongoing-Others</b>	\$1,258,617	\$1,748,318	\$3,006,935
<b>OneTime-Sal/Ben</b>	\$0	\$0	\$0
<b>OneTime-Others</b>	\$10,848,213	\$3,188,164	\$14,036,377
<b>TOTAL</b>	<u>\$12,106,830</u>	<u>\$4,936,482</u>	<u>\$17,043,312</u>
<b>FTEs</b>	0.000	0.000	

# Protection and Replacement of Operating Resources FIN2802



Performance Measure	Actual			Target		
	2011	2012	2013	2014	2015	2016
Fund adequate to replace items as needed at end of useful life	100%	100%	100%	100%	100%	100%
% of Community satisfied with City services	84%	N/A*	73%	84%	84%	84%
% of reserves maintained at policy levels	100%	100%	100%	100%	100%	100%
% of value of equipment held in reserve	N/A	N/A	13.6%	13.6%	12%	12%
Value of items in replacement program	N/A	N/A	\$17.6 M	\$17.6 M	\$18 M	\$18 M

\*Note: The annual internal customer survey was not available in 2012

# BUDGETING BY PRIORITIES

## BUDGET OFFER

### RESPONSIBLE GOVERNMENT

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

**Id:** FIN2832

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### PRUDENT FINANCIAL MANAGEMENT

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#### Description:

**What:** The Prudent Financial Management offer will safeguard the resources that are entrusted to the City by the Community, as stewards of the money, as well as the policies and regulations that govern fiscal actions and promote accountability, transparency and continuity of City services. Prudent financial services speaks to the fiscal responsibility and quality services Responsible Government factor 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. The functions that devote their expertise to these areas include:

- **Treasury Services** provide fiscal stewardship through managing the City's investment portfolio, handling debt issuance and bond payments, managing all City bank accounts and banking related services and transactions, overseeing accounts receivables, auditing self-reporting taxes and maintaining relationships with credit rating agencies.
- **Accounting and Auditing** provides financial accountability and transparency through accurate accounting, reporting, audit and internal control services. The financial reporting accomplished through Accounting speaks to community connections as the financial presentation through the Comprehensive Annual Financial Report (CAFR) provides valuable information to the community, City leaders and regulatory agencies. This extends to accountability through the facilitation of the annual external audit conducted by the State Auditor's Office. The Division also manages the financial system and provides Citywide technical assistance.
- **Payroll** supports fiscal responsibility and effective employee customer service through timely, accurate and dependable compensation and benefit services for employees ensuring that payroll complies with all laws, regulations and union contracts. Payroll is responsible for confirming state and federal taxes, medical benefits, retirement, deferred compensation and employee reimbursement programs are managed accurately.
- **Accounts Payable and Purchasing** promotes continuity of City services through delivery of accurate and consolidated payment of City bills, ensures a predictable and effective way for City staff to acquire needed goods and services and offers City suppliers a way to receive consistent, open and fair access to City service opportunities. Surplus of City assets at the end of their useful life is also a responsibility of the Purchasing Division.
- **Financial Planning** 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, conducting periodic studies and promoting and protecting Redmond's interests on a regional level. Financial Planning staff also lead Redmond's performance measurement efforts by connecting department efforts to the City's stated mission, vision and outcomes.

**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, effective and efficient payment of the City's obligations, accurate financial information and reporting of short-term information and long range projections. 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 Services area 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

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Id: FIN2832

# BUDGETING BY PRIORITIES

## BUDGET OFFER

### RESPONSIBLE GOVERNMENT

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

**Id:** FIN2832

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### PRUDENT FINANCIAL MANAGEMENT

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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:

##### **The City maintains a sound financial position**

*Baseline:* 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.

*Below Baseline:* A 5% reduction in the above services would include a \$40,000 reduction in consultant services used by Financial Planning for special projects and studies. Financial Planning provides financial consultation to all departments in the City and is called upon to manage special projects, such as fee studies for development review, management studies as in the case of the fleet organization or other special studies like the City Hall space plan. Where the analysts do not have the expertise in any given subject area, the Division calls upon outside expertise to perform the work. With a reduction of this size, the number of special projects able to be managed within the Division would drop by an estimated 30%, from approximately 15 per biennium to 9-10 per biennium.

In addition, the Finance Department would reduce armored car services (\$26,000/biennium) causing cash deposits to be hand carried to the bank by staff from either the Finance Department, Development Services Center or Old Redmond Schoolhouse Community Center. The use of armored car services allows the City to meet a state requirement to make deposits within twenty-four hours of receipt of the funds and not cause undue risk to employees that would need to transport City cash. Requiring a quick turn-around time on deposits allows the City to manage its cash position and invest the funds as quickly as possible in order to keep the cash working for the community 100% of the time. As an alternative, the City is researching depositing checks electronically via remote deposit services. Cash deposits would still need to be hand carried to the bank without armored car services.

A third tier reduction would include reducing 1.0 Accounting full-time equivalent (FTE) employee to a .50 FTE position (\$102,000). This would necessitate sharing staff between Financial Planning services and Accounting and Auditing services by moving a .50 FTE, Senior Financial Analyst, to Accounting. The decrease would result in a reorganization of Financial Planning with tasks related to Citywide department support falling to the full-time analysts and special projects being handled by the part-time analyst. Because departments rely on Financial Analyst availability during regular business hours, the full-time analysts would need to be the first point of contact for departmental issues. The change also increases the City's fiscal risk, as Financial Planning is responsible for monitoring and tracking budgets, actual expenditures and reporting where financial actions may not be adhering to City best practices. The effect of this change on performance measures and outcomes would reduce customer satisfaction, now at 89% with Financial Planning services to an estimated 75% as well as a further decline in the amount of projects staff is able to handle in any

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Id: FIN2832

# BUDGETING BY PRIORITIES

## BUDGET OFFER

### RESPONSIBLE GOVERNMENT

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

**Id:** FIN2832

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### PRUDENT FINANCIAL MANAGEMENT

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given year by another four to five projects.

#### **Timely and accurate payment of invoices and predictable acquisition of goods and services**

*Baseline:* The baseline offer contains services that ensure City funds are spent on the right goods and services, at the right prices that are derived from market competition and purchases are consistently conducted using a transparent process. The City's purchasing practices facilitate daily city operations allowing internal City staff to secure needed goods and services from the business community in a timely and efficient manner. In addition, external suppliers are provided a fair opportunity to compete in City bidding opportunities creating value for the Community's tax dollars. After the goods and services are received, the staff in this offer provide accurate and timely payment of City obligations. Please note, the baseline offer includes a new .50 FTE Accounting Specialist Assistant to take the place of limited duration help in Purchasing. The new Accounting Specialist cost equals \$33,433 for the biennium.

*Above Baseline:* As explained above, an increased contribution of \$33,433 would allow the Finance Department to hire an additional purchasing staff member. The position would be responsible for ProCard management (American Express Credit Card) and reconciliation. Customer satisfaction ratings for the purchasing service would rise from a current level of 78% to an estimated 80% due to increased transparency through automation as well as elimination of manual processes.

*Below Baseline:* The funds (one-time and ongoing) that have supported a limited duration employee (\$65,580) would be reduced from this offer. This part-time temporary employee manages and reconciles the ProCard program within the City. As a result of process improvement efforts, the Finance Department has expanded use of the ProCard to reduce the need for advanced travel (a manual process) and petty cash transactions. The expanded use requires that staff be diligent about reconciling receipts to ProCard purchases. Unfortunately, these services cannot be eliminated as reducing the use of ProCards would be more staff intensive than current processes. The Finance Department would absorb the work within other parts of the organization causing longer lead times on other services and potentially opening up the City to financial risk by spending less time on monitoring and tracking activities. Overall customer service ratings would suffer by as much as 10% as tasks became bogged down in the system. The Finance Department would need to assess the financial risk associated with these changes to minimize the effect on the bond rating.

#### **Prelim Changes:**

Recommended changes to the offer include:

- Savings of \$35,000 in professional services anticipated due to the changes expected as a result implementing a LEAN process
  - Convert a .50 limited duration Accounting Specialist Associate to a .50 regular FTE
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Id: FIN2832

**BUDGETING BY PRIORITIES**  
**BUDGET OFFER**  
**RESPONSIBLE GOVERNMENT**

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

**Id:** FIN2832

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**PRUDENT FINANCIAL MANAGEMENT**

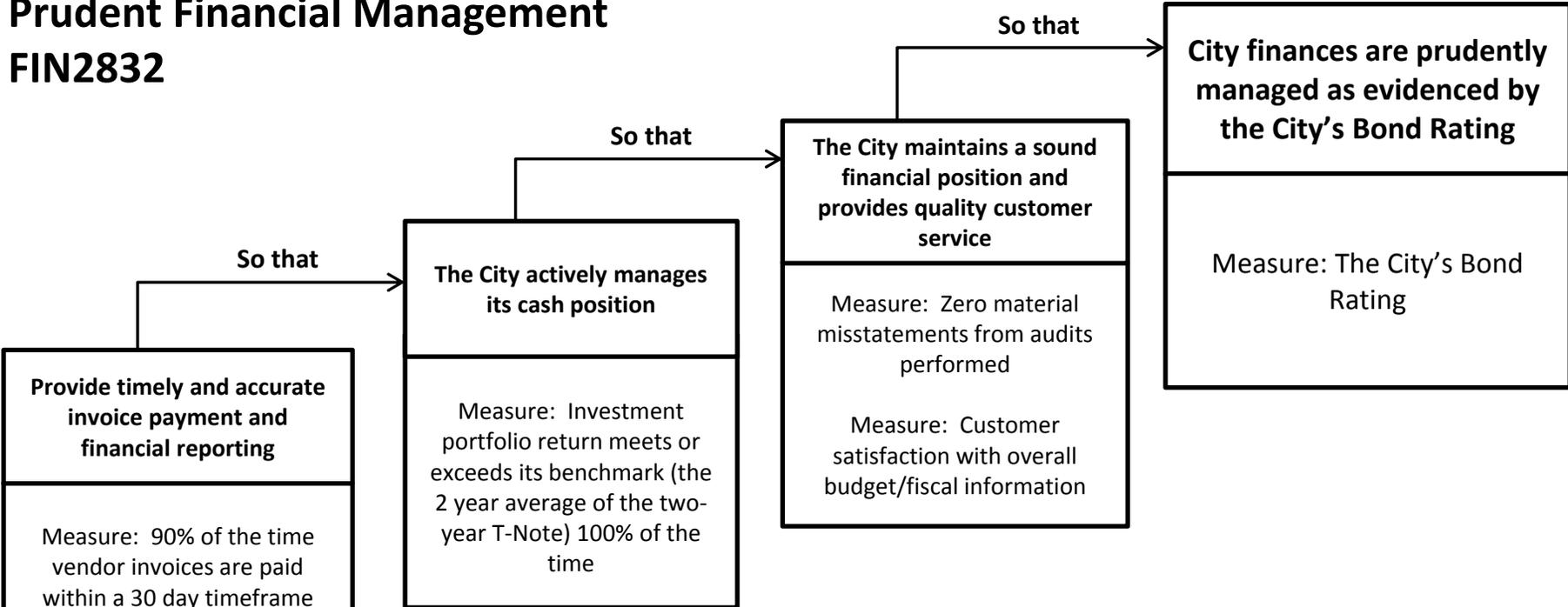
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**Budget Offer Summary:**

**Expenditure Summary**

	2015	2016	Total
<b>Ongoing-Sal/Ben</b>	\$2,066,651	\$2,169,422	\$4,236,073
<b>Ongoing-Others</b>	\$224,792	\$224,903	\$449,695
<b>OneTime-Sal/Ben</b>	\$0	\$0	\$0
<b>OneTime-Others</b>	\$10,000	\$0	\$10,000
<b>TOTAL</b>	<u>\$2,301,443</u>	<u>\$2,394,325</u>	<u>\$4,695,768</u>
<b>FTEs</b>	19.275	19.275	

# Prudent Financial Management FIN2832



Performance Measure	Actual			Target		
	2011	2012	2013	2014	2015	2016
Vendor invoice bills are paid within a 30 day timeframe	83%	90%	88%	90%	90%	90%
Financial statements available by the 10 <sup>th</sup> working day of the month	50%	70%	92%	95%	95%	95%
Investment portfolio return meets or exceeds its benchmark	116%	162%	156%	100%	100%	100%
Zero material misstatements from audits performed	0	0	TBD	0	0	0
Internal customer satisfaction with overall budget/fiscal information	81%	91%	89%	95%	95%	95%

# BUDGETING BY PRIORITIES

## BUDGET OFFER

### RESPONSIBLE GOVERNMENT

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

**Id:** FIN2834

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### BUSINESS SYSTEMS SOLUTIONS

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#### Description:

**What:** In order to deliver quality services, the City's process owners (those staff responsible for delivery of a particular City service like Business Licenses or Stormwater maintenance) depend upon the integration of information and information technology (IT) into their business practices. This enables more efficient transactions, effective decision making, innovation in service offerings and self-service capabilities. Information Services (IS) strives to meet these expectations by providing products and services designed for specific business functions.

The Business Solutions offer includes some, but not all *third party software maintenance contracts* (e.g., Dynamics AX, Class), *custom developed software* (e.g., Image Library, Police Training, Drawing), *custom reporting services* (e.g., Zap, Permits Plus Data Warehouse, Utility Billing Custom Reports), *systems implementation and project management services* (e.g., Lucity, Fleet Anywhere), *end-user support and training* (e.g., Class, Utility Billing, SharePoint), *systems maintenance services* (e.g., Transman, Payment Server, Aquarius, EnerGov), *Ad hoc data services* (e.g., permitting data extracts) and *general IT consulting* (e.g., software selection, coordination of other IT services). Past examples of this work include the following:

- BlueWeb is an Intranet portal designed and implemented by Police personnel. IS Business Systems staff acted as an enabler, managing procurement and configuration the SharePoint server, coordinating power user training with Human Resources (HR) and providing programming services beyond the scope of a power user;
- Street Tree Inventory is a mobile application, built on the City's Geographic Information System (GIS) platform that Parks Maintenance uses to track tree inventory and maintenance. IS Business Systems gathered requirements for hardware and software, designed the application and workflows, field tested the solution, trained users and continues to maintain the system;
- Wastewater CCTV is a third party software/hardware solution that allows video inspection of the sewer system. Over the years IS Business Systems staff have upgraded the system, moved it onto the City's network to simplify support and secure the information, installed enhancements that allow sharing of the information with engineering staff and deployed mobile equipment for visual inspections; and
- Online Permits is a custom-built, citizen-facing online application that allows contractors to apply and pay for over-the-counter Building and Fire permits. IS Business Systems staff gathered requirements, built and tested the application, integrated the payment processing with existing software, maintained and enhanced it over the years to accommodate new security standards and changes in business process.

The products and services delivered in this offer are built upon a robust IT infrastructure as described in offer FIN2835, Robust IT Infrastructure. Information Services has chosen to separate their business-focused offers from the general infrastructure offer to more closely align them with the appropriate priority. Unless otherwise noted as new, most of the components of this offer have been approved in previous budget cycles as part of the Information Service Division offer. Items included in this offer that were previously approved in other offers include:

- A Senior Systems Analyst position reporting to the Director of Finance which was previously funded within other Finance offers; and
- The annual maintenance fees for software from the IT Strategic Plan offer (Zap, Sire, Class Replacement).

**Why:** Funding this offer supports the City's efforts to deliver quality services to citizens, business and other constituent groups. The integration of information and IT into the business processes not only makes the services more efficient and

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Id: FIN2834

# BUDGETING BY PRIORITIES

## BUDGET OFFER

### RESPONSIBLE GOVERNMENT

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

**Id:** FIN2834

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### BUSINESS SYSTEMS SOLUTIONS

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effective, but it also helps to meet the growing expectation for high-tech services from a tech savvy audience.

The offer also supports the City's effort towards fiscal responsibility by leveraging specialized skills (computer programming) and IT solutions across multiple areas of the City. For example, the Knox Box Inventory solution for Fire Prevention was quickly and inexpensively deployed because of the tools and experience gain on Park's Street Tree Inventory solution.

Finally, this offer supports the City's efforts towards effective and accountable leadership on two fronts. First, the offer provides training, support and guidance allowing staff to grow their knowledge and skills, which they will, in turn, use to improve services and innovate. Second, the offer provides information and IT tools enabling staff to make better, timelier decisions about fiscal responsibility (spending, costs, resource availability) and quality services (performance measures, process audits, pending workload).

**Who:** The primary customers of this Information Services offer are the staff of the Public Works, Executive, Parks and Recreation, Finance and Information Services, Planning and Human Resources Departments. In particular, this includes process owners who are responsible for a City service and the staff that use the information and IT systems to complete their work. Increasingly, non-staff (citizens, business owners and other outside stakeholders) are also customers of this service as they directly use the information and technology products.

This offer also supports a limited set of services to Police, Fire and Communications, although the majority of their business-specific IT needs are met through related Public Safety IT or Community Engagement Solutions offers.

#### **Results:**

**Process owners can integrate information and information technology into their business processes.**

*Baseline:* The baseline offer includes the business-specific information and information technology products and services like software maintenance, user support, report writing, customer software development, project management, system procurement, business intelligence and technology consulting. Process owners integrate these services with their staff and business processes to deliver innovative solutions to citizens and/or customers of the City.

*Below Baseline:* A 5% reduction in the baseline (\$145,963) will result in a 93% cut in professional services and small tools. Professional services augments IS staff at times when they lack or are still building expertise on new, specialized or infrequently used technologies. The current approach intentionally leverages the market-based expertise in emerging or highly technical areas. Small tools help to make IS staff more productive in completing projects. Examples of these types of expenditures from previous years include the purchase of software tools to speed software development and deployment (AdminStudio, ComponentOne), non-standard hardware for testing (tablets), licensing of user-specified software (Open Budget Data), consulting for enhancements and upgrades (Class, Transman, Records Management) and systems support (ECC SharePoint).

It is difficult to point to specific impacts as the need for tools and professional services emerge throughout the biennium, but in general, IS will be slower in implementing or enhancing systems without consulting services and small tools. The performance metrics would reflect fewer system implementations, upgrades and enhancement projects completed.

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Id: FIN2834

**BUDGETING BY PRIORITIES**  
**BUDGET OFFER**  
**RESPONSIBLE GOVERNMENT**

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

**Id:** FIN2834

**BUSINESS SYSTEMS SOLUTIONS**

**Prelim Changes:**

No change in program.

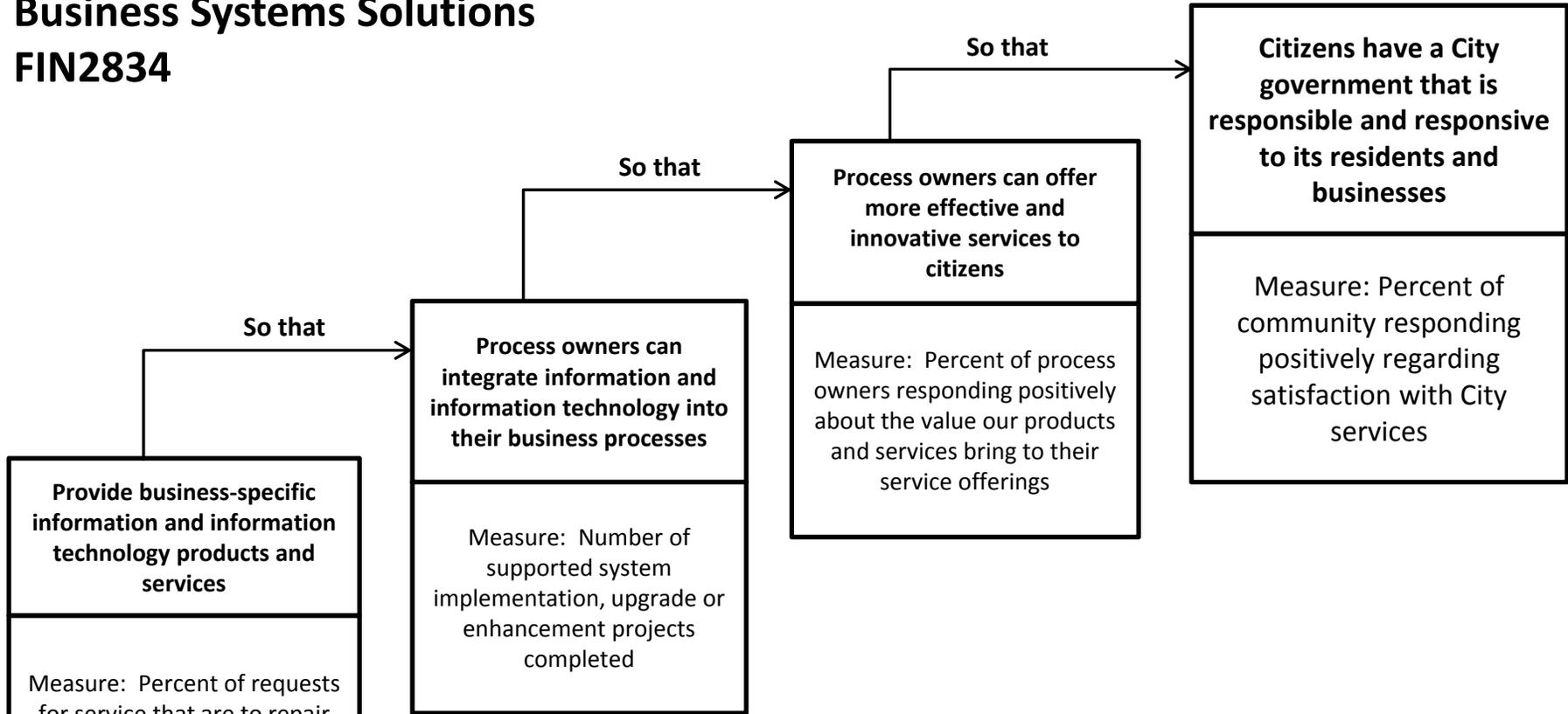
**Budget Offer Summary:**

**Expenditure Summary**

	2015	2016	Total
<b>Ongoing-Sal/Ben</b>	\$902,786	\$944,232	\$1,847,018
<b>Ongoing-Others</b>	\$521,849	\$532,957	\$1,054,806
<b>OneTime-Sal/Ben</b>	\$0	\$0	\$0
<b>OneTime-Others</b>	\$0	\$0	\$0
<b>TOTAL</b>	<u>\$1,424,635</u>	<u>\$1,477,189</u>	<u>\$2,901,824</u>
<b>FTEs</b>	6.825	6.825	

# Business Systems Solutions

## FIN2834



Performance Measure	Actual			Target		
	2011	2012	2013	2014	2015	2016
Percent of requests to repair broken systems	N/A	N/A	N/A	N/A	40%	35%
Number of implementation, upgrade or enhancement projects completed	N/A	N/A	N/A	N/A	25	30
Percent of process owners satisfied with products and services	N/A	N/A	N/A	N/A	70	75

# BUDGETING BY PRIORITIES

## BUDGET OFFER

### RESPONSIBLE GOVERNMENT

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

**Id:** FIN2835

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## ROBUST INFORMATION TECHNOLOGY INFRASTRUCTURE

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### Description:

**What:** Similar to the streets, bike lanes and sidewalks that allow people to move in, around and through the City, a Robust Information Technology (IT) Infrastructure contains the digital pathways that carry data, information and communication between City staff and to the City's customers and business partners. It is comprised of fiber-optic cable and copper wire that connects the City's facilities to the data centers, it includes switches and routers that ensure digital traffic reaches the right destination when you send an email, dial a phone, access data from a database or documents in a shared file location. It includes physical and virtual servers that allow business applications to function and provides storage repositories such as databases and file shares. It includes all the computing and peripheral devices such as personal computers (PC), printers, scanners, telephones, etc., that provide the means for accessing data, and it is security and business continuity in the form of firewalls, anti-virus, web and email filtering, backup tapes and offsite storage.

The Robust Information Technology Infrastructure offer includes the ongoing licensing and maintenance of all hardware and software components that comprise the IT infrastructure, it provides funding for new tools and equipment as the infrastructure and technology changes and grows, it includes highly skilled staff to manage the environment, professional services dollars, telephone costs and tuition and travel for staff training.

**Why:** It is nearly impossible to conduct business without the use of computers and phones. Therefore, it is expected that there will be a reliable and secure IT infrastructure available to facilitate business activities, much like the expectation that there will be dial tone when we pick up a phone. As a result of Information Services' (IS) commitment to high quality service, City staff is able to deliver reliable and responsive customer service to citizens and businesses.

A Robust IT Infrastructure is the *foundation* of everything else Information Services does and will assure **Quality Service** by providing all elements necessary to deliver effective and efficient systems as described in the other IS offers. The IT infrastructure is constantly monitored by internal software which proactively notifies IS staff, and in some cases, a vendor if it appears a problem is starting to occur. The equipment is configured to be highly redundant with a goal of any failure in one component moving services to another component automatically without any disruption to those using the service.

IS has continued to demonstrate **Fiscal Responsibility** by ensuring IT Infrastructure components are maintained and replaced consistent with the City's policies. As technology ages, IS seeks out replacement options that are cost-effective. As servers have been virtualized over the last several years, the number of physical servers reduced with a corresponding reduction in replacement costs along with reduced cooling and power requirements in the data centers. When the City's firewall was replaced in the fall of 2013, one new firewall device resulted in the retirement of five devices at a substantially reduced replacement cost and lower ongoing maintenance costs.

IS also provides **Effective and Accountable Leadership** by ensuring IS staff responsible for managing the IT Infrastructure are highly skilled and receive training so skills keep pace with evolving technology. Effective and Accountable Leadership is also demonstrated through partnerships with Traffic Operations, Lake Washington School District and the Community Connectivity Consortium (a regional organization comprised of Cities, Counties, Universities, Hospitals and School Districts). The fiber-optic network within Redmond has been a collaborative effort with Traffic Operations for a number of years. In addition, we continue to work with Lake Washington School District and the Community Connectivity Consortium looking for partnership opportunities to leverage shared resources. As a high performing organization, the staff funded in this offer are provided opportunities for professional development and

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Id: FIN2835

# BUDGETING BY PRIORITIES

## BUDGET OFFER

### RESPONSIBLE GOVERNMENT

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

**Id:** FIN2835

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#### ROBUST INFORMATION TECHNOLOGY INFRASTRUCTURE

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work in concert with one another on the maintenance and improvements of the infrastructure.

**Who:** The primary customers of this offer are the IS staff whose business system solutions are built and rely on a Robust IT Infrastructure to deliver their services to staff in other departments. Staff in Public Works, Parks, Finance, Planning, Human Resources, Executive, Fire and Police are also customers of this offer as they are dependent on technology to deliver high quality, reliable and responsive services to their customers.

#### Results:

*Baseline:* The baseline offer includes the hardware such as servers, switches, routers, disk storage, telephones, PCs, printers, scanners and the fiber-optic and copper cable that connect all the network infrastructure components together. It includes the software that runs on the hardware components and creates the communication between them and the software tools necessary to manage the components and ensure they are secure. It also includes the maintenance so the network components can be upgraded and repaired on a timely basis. Most important is the staff whose specialized skills in the management of the infrastructure ensure it is available for use by those using the business systems that depend on the robust IT infrastructure to deliver services to the City's customers.

*Below Baseline:* A 5% reduction to this offer would equal \$178,591. As part of an effort to reorganize to improve customer service, IS allocated 50% of the vacant Network Communications Manager position to the Service Desk offer, FIN02721 and retained 50% of the funding in this offer. In order to achieve the 5% reduction, the 50% funding for the Network Communications Manager (\$126,187) retained in this offer would be eliminated. The remaining \$52,404 would be a reduction to the small tools budget reducing the biennial total from \$88,000 to \$35,596.

Retaining 50% of the funding from the Network Communications Manager position would allow the funds to be allocated to all the IS offers for consulting services, small tools and IS staff training. IS has depended on consulting services to provide technical expertise when it doesn't make sense to have that expertise in-house. For example, upgrading the tools used to deploy software is done once every two or three years. Bringing someone in to assist with the upgrade means that staff do not need to spend time learning something they will not use again, upgrades happen more quickly and staff can focus on continuing to grow expertise in the tools they work with regularly. Without this funding, time will be spent gaining "one-time" expertise which will take time and attention away from the day-to-day and project work. The result would be increased timelines for maintaining and/or upgrading systems and our ability to keep our technology current will degrade. This could result in a less stable infrastructure and systems that lead to increased downtime and disruption to service delivery. Without adequate funds for small tools, it will be difficult for IS to test and gain expertise in the rapidly changing computing devices City staff would like to use, especially for mobile workers. Information Services' ability to deploy new technology and provide support to City staff will fall short of expectations. Maintaining quality service depends on a well-trained staff whose skills keep pace with changes in technology. With limited funding for training, the City's technology environment will start to lag behind the technology market making it more difficult to provide staff the tools needed to deliver services the City's customers have come to expect.

#### Prelim Changes:

No change in program.

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Id: FIN2835

**BUDGETING BY PRIORITIES**  
**BUDGET OFFER**  
**RESPONSIBLE GOVERNMENT**

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

**Id:** FIN2835

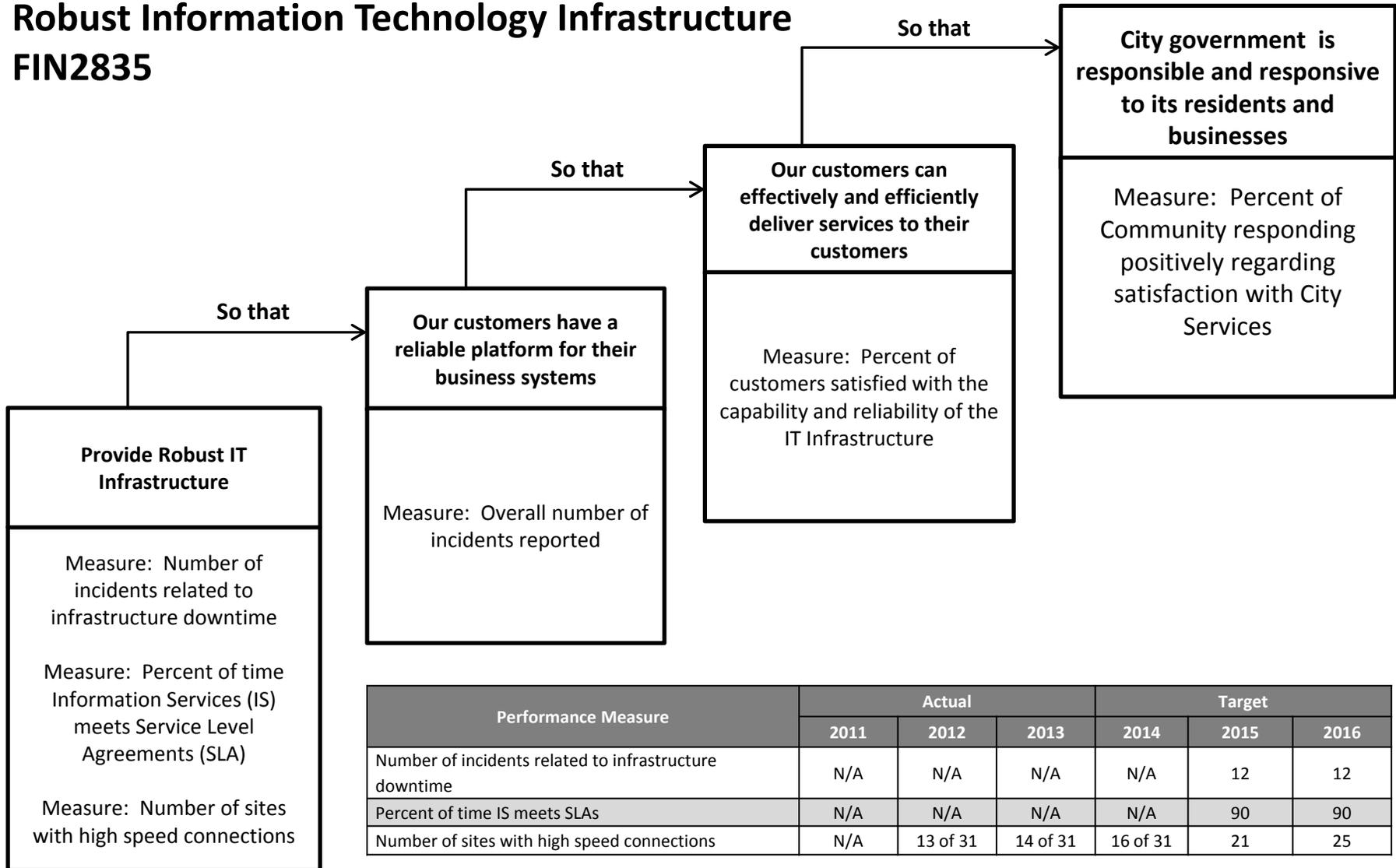
**ROBUST INFORMATION TECHNOLOGY INFRASTRUCTURE**

**Budget Offer Summary:**

**Expenditure Summary**

	<b>2015</b>	<b>2016</b>	<b>Total</b>
<b>Ongoing-Sal/Ben</b>	\$844,190	\$878,858	\$1,723,048
<b>Ongoing-Others</b>	\$828,575	\$838,756	\$1,667,331
<b>OneTime-Sal/Ben</b>	\$0	\$0	\$0
<b>OneTime-Others</b>	\$0	\$0	\$0
<b>TOTAL</b>	<u>\$1,672,765</u>	<u>\$1,717,614</u>	<u>\$3,390,379</u>
<b>FTEs</b>	6.825	6.825	

# Robust Information Technology Infrastructure FIN2835



# BUDGETING BY PRIORITIES

## BUDGET OFFER

### RESPONSIBLE GOVERNMENT

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

**Id:** FIN2840

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### CITY CLERK'S OFFICE OPERATIONS

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#### Description:

**What:** The offices represented by this offer provide public access to its city government. Transparency, access, efficiency of open government processes and essential trust in city government is the primary focus of this offer. This offer directly speaks to the dashboard measures of Percent of Community Responding Positively Regarding Satisfaction with City Services and The Trend in Redmond's Price of Government. Responsible Government Factors affected in this offer include Fiscal Responsibility, Effective and Accountable Leadership, Community Connections and Quality Service, through transparency and access to the City's elected officials, City information, and the land use and administrative appeals processes. The City Clerk's Office provides solutions to all customers of this offer.

What does this offer cover?

- All aspects of legislative support to the Mayor and Members of the Council;
- Records management services and training for the City;
- Non-departmental records storage;
- Public disclosure of City records - Includes responsiveness/processing of external and internal requests/queries, provides guidance and provides training;
- Administration of the volunteer reception desk;
- Elections services;
- Hearing Examiner services\*, providing access to those interested in or affected by city land use policies and actions; and
- Special Projects.

\*The City Clerk also administers and supports the Office of the Hearing Examiner and Public Defender/Screeners (public defense services are included in the separate criminal justice offer).

**Why:** The City Clerk is a key point of contact between the citizens and their City government in the administration of Responsible Government. The City Clerk is also a key resource to City staff in providing support, training and information needed to assist in the completion of 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, and ensures legal mandates are met and complete customer service solutions are provided. The ultimate goal of service delivery is establishing and maintaining credibility, public trust through transparency, and "top notch" customer service within Redmond's internal community (all staff and internal participants) and external community (every person or organization outside of internal City staff and customers).

Through communication, collaboration and work flow processes, the City Clerk's Office facilitates the processes outlined above 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, Citywide perspective in order to meet the needs of all customers. The City Clerk's budget offer fosters effective leadership and empowerment, good stewardship of public resources, a professional staff, quality customer service and community engagement. These goals are reached through the deployment of available human resources and available/emergent technology.

**Who:** Customers served by this offer include:

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Id: FIN2840

# BUDGETING BY PRIORITIES

## BUDGET OFFER

### RESPONSIBLE GOVERNMENT

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

**Id:** FIN2840

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### CITY CLERK'S OFFICE OPERATIONS

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- The Redmond community, as this offer is a key point of contact of the citizenry to their city government (both for general governmental purposes and for special matters related to the City's Land Use Hearing Examiner);
- 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 as they apply to this offer.

#### Results:

*Baseline:* The baseline offer is the current level of service which supports and provides for:

1. The accessibility of information and responsiveness provided to customers regarding the status of information/records sought (either immediately or within the timeline prescribed by law);
2. Open meetings of the elected body and provision of meeting information within the manner and timelines provided by law;
3. Assistance received from the Clerk's Office in support of the daily operations of other departments and the community at-large;
4. The administration of the City's Hearing Examiner quasi-judicial and appellate function and support of the contracted Hearing Examiner;
5. The administration of city election information;
6. Contract administration;
7. Funding for the storage of records Citywide (non-departmental); and
8. Administration of the Clerk's Office.

The Clerk's Office is solely service-oriented and is driven by human resource; the majority of the budget provides for salaries and benefits (\$660,384). The human resource provided through this budget offer serves to execute all functions outlined in the description section of the offer.

Salaries and benefits encompass 63% of the overall biennial budget. The remainder of this budget offer (37%) goes to contract administration and operational expenses such as: office supplies, legal advertising, providing for election services and records services, hearing examiner services and training/dues for professional certifications/organizations. The offer has \$44,000 dedicated to Non-Departmental Records Storage at Iron Mountain and is a service account to all departments. Additionally, \$195,000 of this budget offer is dedicated to paying the City's prorated share of election expenses from King County Elections (approximately \$65,000 per year in voter registration costs charged by King County and another approximate \$30,000 for the annual cost of conducting an election itself through King County). And finally, approximately \$52,000 is allotted for the City's Hearing Examiner contract to provide quasi-judicial review of city land use determinations/appeals, business license revocations, code enforcement determinations and false fire alarm appeals, leaving \$105,746 to provide for basic office operations to be divided among the biennium.

Results are measured by overall citizen satisfaction expressed through external surveys and from internal customer service surveys which 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; however, this is the highest-rated satisfaction level yet to be received with respect to the delivery of services/solutions and support of our

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Id: FIN2840

**BUDGETING BY PRIORITIES**  
**BUDGET OFFER**  
**RESPONSIBLE GOVERNMENT**

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

**Id:** FIN2840

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**CITY CLERK'S OFFICE OPERATIONS**

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customers.

*Above Baseline:* Funding 5% above the baseline offer, an increase of \$52,856, would provide for a part-time employee to assist in the City's mission to create, develop and deploy a Citywide records management solution. It is the intent that this would become an ongoing expense, as the City would utilize the human resource to move the program forward on a continuing basis. A person in this position would be able to address items such as overseeing a consultant to perform an inventory and purge of the City's records holdings at the Iron Mountain records storage facilities and also here onsite at the City, thus, reducing the volume of records holdings and the cost of storage (both physical and virtual).

*Below Baseline:* Funding 5% below the baseline offer, a reduction of \$52,856, would result in the loss of service levels. If necessary, we recommend this scalability be realized with a reduction of non-departmental records storage (in the amount of \$44,000). The service level loss that would be realized would be the City's inability to easily store, index, recall and manage its records as it is now does through the off-site Iron Mountain storage facility. Implementing this service reduction would entail bringing back approximately 3,500 records boxes from different storage facilities around the state to their respective departments for department staff to manage. There would be a one-time cost to remove these boxes out of archive and return them to the City; however, from that point, no additional cost would be realized with the exception of staff time that would be incurred due to the need to search for and manage records. Under this scenario, it can be safely deduced that staff from that point would find great difficulty in locating its records, due to the lack of an existing in-house management infrastructure in this regard. The current off-site storage facility (Iron Mountain) does provide an electronic records indexing and search capability that the City currently does not possess in-house with respect to these records.

If the City rather decides to manage these records, management would entail: storage onsite in the respective departments or at a city facility with the appropriate climate conditions/regulation needed to properly store records; management of all records for retention periods/purposes; retrieval and return of records to their storage site when needed by staff; and indexing and management of the addition of any new records. Storage onsite of this magnitude would be a significant issue for the City. Not only would the City have to identify storage space, it would also have to arrange for its own purge and destruction of records when retention periods are met.

The additional \$8,856 could be realized from operational accounts through the loss of microfilming of the City Clerk Division's/City Council's permanent records. Without microfilming these records, the City would no longer have the protection of its City legislation in a format more permanent than paper. These records do have a permanent retention (required length in which to maintain the record).

**Prelim Changes:**

No change in program.

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Id: FIN2840

**BUDGETING BY PRIORITIES**  
**BUDGET OFFER**  
**RESPONSIBLE GOVERNMENT**

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

**Id:** FIN2840

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**CITY CLERK'S OFFICE OPERATIONS**

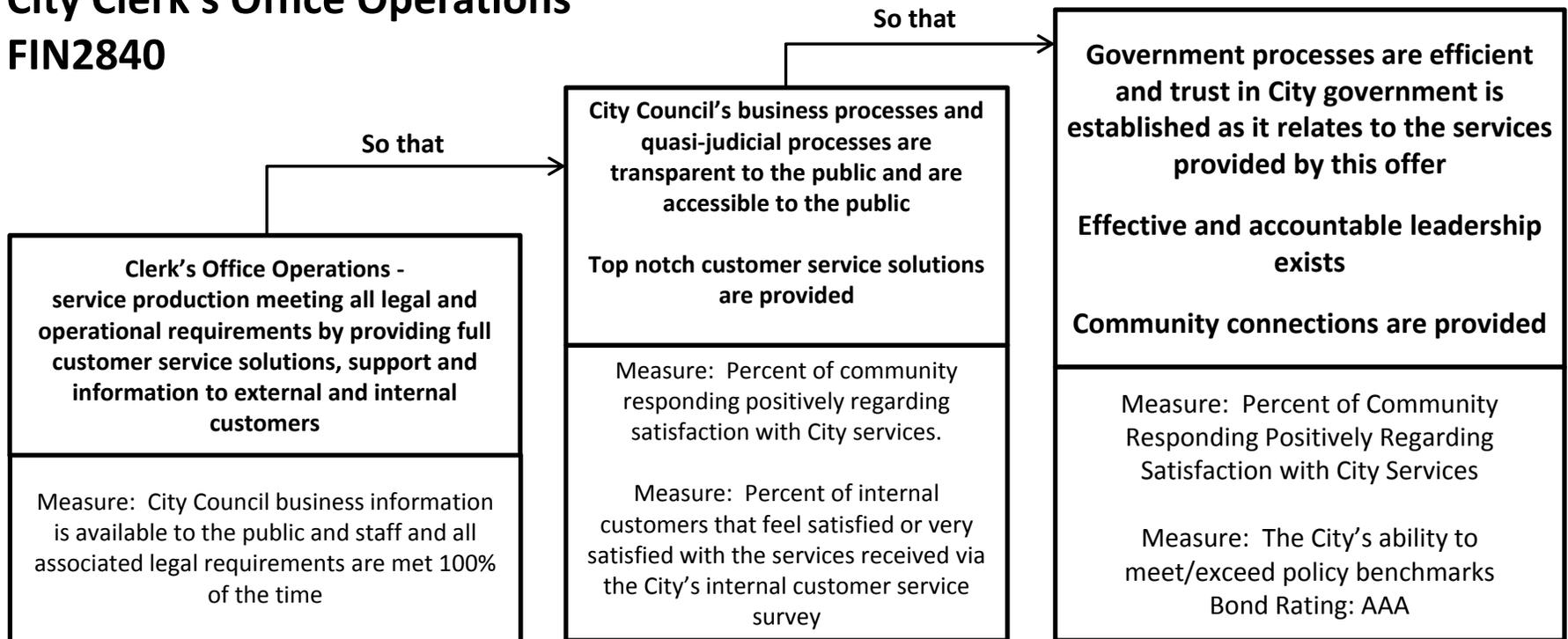
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**Budget Offer Summary:**

**Expenditure Summary**

	2015	2016	Total
<b>Ongoing-Sal/Ben</b>	\$335,415	\$350,928	\$686,343
<b>Ongoing-Others</b>	\$187,547	\$197,025	\$384,572
<b>OneTime-Sal/Ben</b>	\$0	\$0	\$0
<b>OneTime-Others</b>	\$0	\$0	\$0
<b>TOTAL</b>	<u>\$522,962</u>	<u>\$547,953</u>	<u>\$1,070,915</u>
<b>FTEs</b>	3.075	3.075	

# City Clerk's Office Operations FIN2840



Performance Measure	Actual		Target		
	2011	2013	2014	2015	2016
The open accessibility to meeting locations and current meeting information of the public body within the mandated statutory time prescribed by law (public notice)	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)	89%	99%	100%	100%	100%
Customer service solutions received from the Clerk's Office in the daily operations of other department as related	89%	99%	100%	100%	100%

# BUDGETING BY PRIORITIES

## BUDGET OFFER

### RESPONSIBLE GOVERNMENT

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

**Id:** FIN2862

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## RISK MANAGEMENT

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### Description:

**What:** Risk Management includes City insurance 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.

Risk Management programs are an important element of a fiscally responsible city by preserving City resources, protecting City assets and supporting City staff, and by reviewing and advising on programs, facilities and policies for their potential financial risk to the City. Risk management creates and implements policies and strategies to reduce the risk of loss of scarce City resources. This is done through loss prevention, education and transferring risks. Risks are transferred by contractual agreement and the purchase of insurance. Risk management staff assess the level of risk and respond through daily claims management, contract reviews and staff consultation. Consultants help to calculate and recommend appropriate risk strategies including the insurance programs to pursue and cost structures that minimize the effect of incidents on City finances and operations.

Risk Management staff work directly with claimants providing prompt and attentive customer service. This represents the City in a positive light and also helps to mitigate against punitive claims and judgments. Staff take great care to provide timely and accurate customer service as we have found this to be a very important way to resolve disputes.

**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:

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

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

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Id: FIN2862

# BUDGETING BY PRIORITIES

## BUDGET OFFER

### RESPONSIBLE GOVERNMENT

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

**Id:** FIN2862

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### RISK MANAGEMENT

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*Below Baseline:* 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. These savings could be any amount (10% or \$188,521 for example).

**Prelim Changes:**

No change in program.

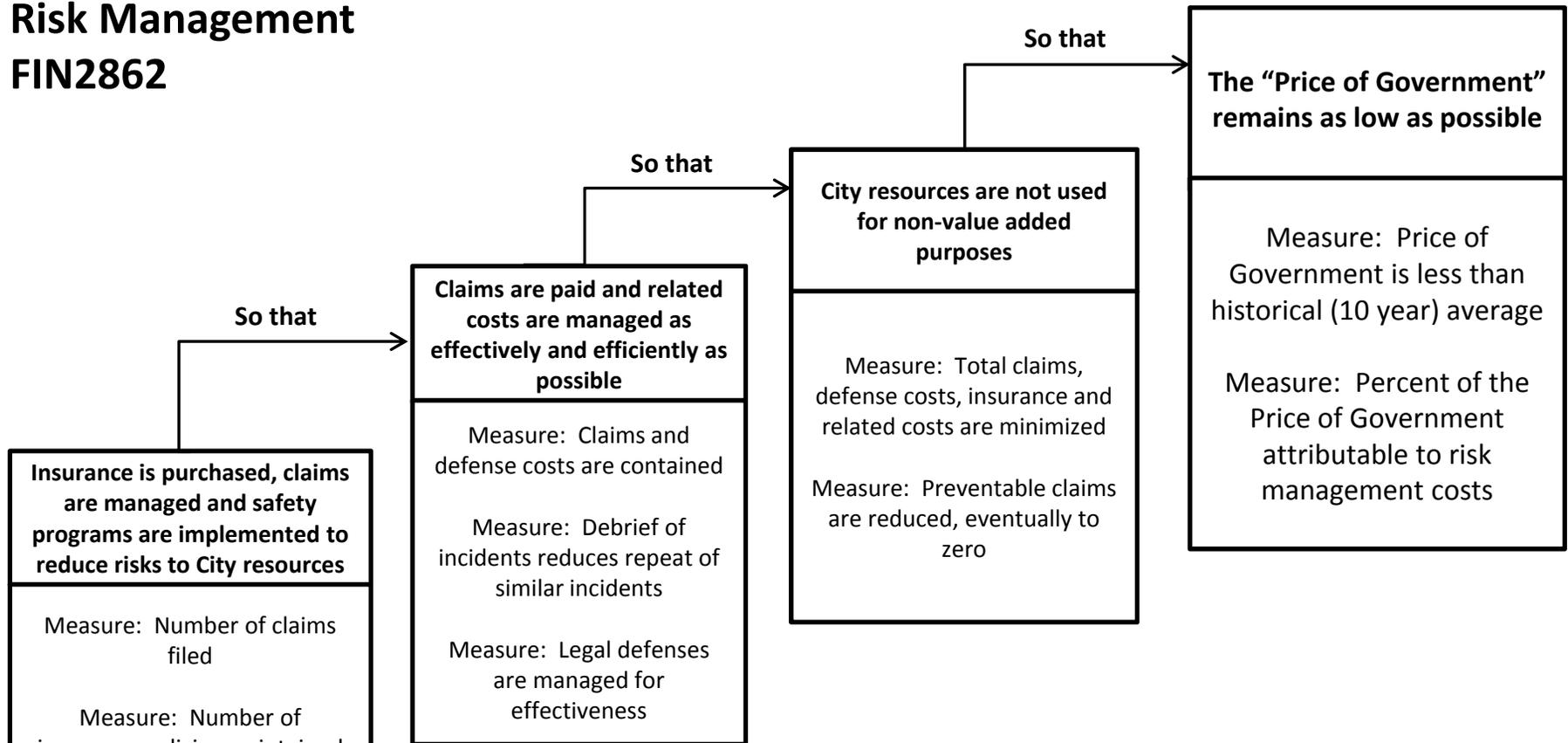
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**Budget Offer Summary:**

**Expenditure Summary**

	2015	2016	Total
<b>Ongoing-Sal/Ben</b>	\$57,987	\$63,109	\$121,096
<b>Ongoing-Others</b>	\$855,450	\$856,170	\$1,711,620
<b>OneTime-Sal/Ben</b>	\$0	\$0	\$0
<b>OneTime-Others</b>	\$0	\$990,292	\$990,292
<b>TOTAL</b>	<u>\$913,437</u>	<u>\$1,909,571</u>	<u>\$2,823,008</u>
<b>FTEs</b>	0.500	0.500	

# Risk Management FIN2862



Performance Measure	Actual			Target		
	2011	2012	2013	2014	2015	2016
Price of Government attributable to risk management	.0248%	.0238%	.0226%	.0224%	.0222%	.0222%
Total claims and related costs as percent of budget	.24%	.45%	.37%	.30%	.25%	.25%
Preventable claims (\$000)	\$51.1	\$42.4	\$45.3	\$25	\$20	\$10
Total claim and legal defense costs (\$000)	\$180	\$105	\$198	\$100	\$90	\$80
Number of claims filed	121	119	122	115	110	100

# BUDGETING BY PRIORITIES

## BUDGET OFFER

### RESPONSIBLE GOVERNMENT

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

**Id:** FIN2873

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### STRATEGIC SYSTEMS INVESTMENTS

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#### Description:

**What:** The Strategic Systems Investments offer ensures that funding is available for advancing information and communication technologies that support the future business objectives of the City. It also provides funding to upgrade or replace existing enterprise systems that are either at end of life or have substantially changed in ways that they no longer meet the needs of City staff.

The initiatives funded from this offer result from conversations with City staff at all levels of the organizations. Proposals are vetted by business and Information Services (IS) staff to ensure they deliver on the City's objectives. No funds or effort are expended on these proposed projects until approved and prioritized by the Information Technology (IT) Governance Committee, the members of which are the City Directors. At their discretion, initiatives may be substituted or added to the list based on what will most effectively advance the priorities of the City and provide improved service to citizens.

Proposed initiatives that may be funded by this offer, pending IT Governance Committee review, include:

**Upgrade Parks & Recreation Software, Class (estimated cost \$300,000)**

The vendor for the Class software is moving to a cloud-based solution. The current cost proposal for the cloud-based option is prohibitive and Parks & Recreation need to look for a more cost-effective alternative. The estimate for replacing the existing software assumes the application would be implemented in the City's data center. If a cloud-based option is selected, it may cost substantially less than the estimate.

**Disaster Recovery Planning - Phase 3 (estimated cost \$150,000)**

Information Services has completed the first two phases of a disaster recovery plan. Phase three would expand on the work done in the first two phases and would implement a disaster recovery site that would allow the City to more fully operate from a location other than the Public Safety Building.

**Information and Physical Security (estimated cost \$750,000)**

The City's existing security system vendor has not kept pace with technological advances in this field. While much of the existing equipment such as card readers can be used with a new system, funding this initiative would replace the underlying software and management tools, replace existing equipment that cannot be reused, expand security to fill shortcomings and add locations currently not on the City system. A recent security assessment estimated the equipment and services for this work at \$1.6 million. The estimated cost for this initiative has been increased from \$300,000 to \$750,000. While this still will not fully cover the cost, it will allow the City to begin making the necessary improvements. This initiative may be partially funded by the Utilities as existing security at the City's wells and water towers would be replaced.

**Records Management System (estimated cost \$500,000)**

The existing system currently used in the Police Department is at end of life. This project would add to funding allocated in 2009 and would allow the City to undertake a project to evaluate the entire records program and put in place a system all City staff could use to effectively manage its records. At a minimum, the system in the Police Department must be replaced.

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Id: FIN2873

# BUDGETING BY PRIORITIES

## BUDGET OFFER

### RESPONSIBLE GOVERNMENT

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

**Id:** FIN2873

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### STRATEGIC SYSTEMS INVESTMENTS

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**Reshaping the Use of Information & Communication Technologies (estimated cost \$200,000)**

This initiative would take new processes, techniques, tools and etiquette into our existing structure by teaching City staff to use technology in new, more effective and efficient ways for communication, collaboration, document and records management so content can be found and used to make better and more informed decisions.

**Video Conferencing throughout the City (estimated cost \$250,000)**

City staff work in many locations throughout Redmond. Providing the means to attend meetings virtually via video conference will reduce travel costs, time spent traveling and support a smaller carbon footprint for the City. This initiative would implement video conferencing capabilities throughout the City.

**Technology Enabling Conference Rooms Through-out the City (estimated cost \$455,000)**

This initiative would install large screen monitors in all conference rooms of City buildings and would include approximately seven Perceptive Pixel devices which operate much like a touch screen tablet.

**Project and Portfolio Management System (estimated Cost \$250,000)**

This initiative would fund the purchase of a Project and Portfolio Management System that would track activity and costs for large scale Public Works projects which would help streamline processes and more accurately and efficiently track costs in a single system.

**Why:** Technology changes rapidly and a two-year budget plan cannot always anticipate what will be needed 18 months to two or more years into the future. In order to ensure the City continues to deliver high quality service, it is fiscally responsible to plan for future expenditures that will allow City staff to work more efficiently and effectively. It is also important to take into consideration that investment in these tools frequently results in increases to ongoing expenditures in future budget cycles.

**Who:** These initiatives would benefit all City staff directly and the City's customers indirectly.

#### **Results:**

*Baseline:* Included in this offer is funding for investments in information and communication technologies that continue to improve and advance the City's use of technology to deliver high quality services to City customers.

*Above Baseline:* A 32% increase of \$850,000 would provide enough funding to fully implement information and physical security throughout the City.

*Below Baseline:* A 5% reduction (\$132,750), would mean that one or more of the proposed initiatives under consideration would be eliminated. For example, Disaster Recovery Planning - Phase 3 could be eliminated. This would leave the City without an alternative location from which to run the business of the City in the unlikely event, the Public Safety Building is severely damaged or destroyed.

Several of the initiatives could be reduced in scope. Rather than adding large or touch screen monitors to all City conference rooms, the number of conference rooms could be reduced to cover the 5% reduction. Instead of making Video Conferencing available throughout the City, it could be implemented at a subset of locations where it makes the most sense, like each Fire Station.

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Id: FIN2873

# BUDGETING BY PRIORITIES

## BUDGET OFFER

### RESPONSIBLE GOVERNMENT

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

**Id:** FIN2873

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### STRATEGIC SYSTEMS INVESTMENTS

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At a minimum, the following initiatives should be fully funded as they replace existing technology and support the City's business continuity:

- Upgrade Park & Recreation Software (estimated Cost \$300,000);
- Disaster Recovery Planning - Phase 3 (estimate Cost \$150,000);
- Information and Physical Security (estimated Cost \$750,000); and
- Records Management System (estimated Cost \$500,000).

**Prelim Changes:**

Recommended decrease to the offer includes:

- Reduce new request for investment in strategic systems of \$2,355,000 by \$705,000
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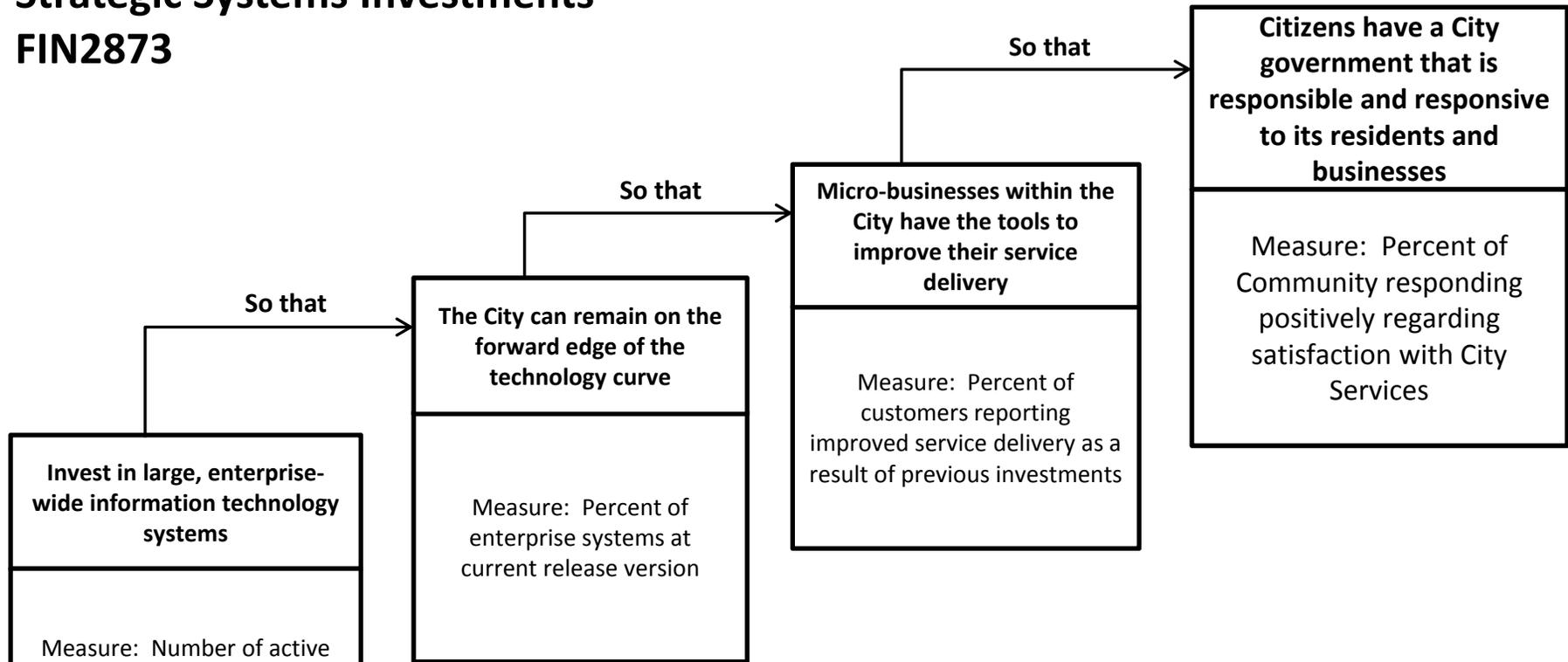
**Budget Offer Summary:**

**Expenditure Summary**

	2015	2016	Total
<b>Ongoing-Sal/Ben</b>	\$0	\$0	\$0
<b>Ongoing-Others</b>	\$0	\$0	\$0
<b>OneTime-Sal/Ben</b>	\$0	\$0	\$0
<b>OneTime-Others</b>	\$1,450,000	\$500,000	\$1,950,000
<b>TOTAL</b>	<u>\$1,450,000</u>	<u>\$500,000</u>	<u>\$1,950,000</u>
<b>FTEs</b>	0.000	0.000	

# Strategic Systems Investments

## FIN2873



Performance Measure	Actual			Target		
	2011	2012	2013	2014	2015	2016
Number of active investments	N/A	N/A	N/A	N/A	3	3
Percent of enterprise systems at current release version	N/A	N/A	N/A	N/A	95	95
Percent of customers reporting improved service delivery as a result of previous investments	N/A	N/A	N/A	N/A	85	85
Percent of community responding positively regarding satisfaction with City services	N/A	N/A	N/A	N/A	90	90

# BUDGETING BY PRIORITIES

## BUDGET OFFER

### RESPONSIBLE GOVERNMENT

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

**Id:** HUM2857

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## HUMAN RESOURCES

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### Description:

**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 Quality Service by focusing on attracting and retaining employees with the vision, knowledge, skills and abilities needed to deliver effective and accountable leadership. 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. Human Resources staff also work with hiring managers to develop screening and selection tools. This program includes onboarding and orientation of new employees as well.

Benefits and Compensation - Compensation and benefit programs are developed and managed by Human Resources; these comprehensive programs consist of salary plans, healthcare, 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. Human Resources staff provide consulting assistance with departmental change initiatives and develop training programs specifically designed to meet organizational need.

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, issues with work performance and conflicts.

Policy Administration - Human Resources ensure the creation and implementation of programs, policies and procedures that support and promote effective and accountable leadership. Human Resources staff advise the organization on performance management, policy interpretation and legal compliance.

**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.

In support of the effort to attract and retain effective leaders, Human Resources maintains a comprehensive, competitive compensation program. The compensation and benefits program ensures fiscal accountability and enables the City to adapt to the changing job market. Programs are innovative and include employee recognition, work life balance through paid time off and performance management.

Human Resources also develops and delivers specialized training to provide employees with the knowledge, skills and abilities needed to deliver quality services and communicate with and engage the Redmond community. Through these

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Id: HUM2857

# BUDGETING BY PRIORITIES

## BUDGET OFFER

### RESPONSIBLE GOVERNMENT

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

**Id:** HUM2857

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## HUMAN RESOURCES

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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.

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. Programs managed by the Human Resources Department align organizational priorities, create a connected workforce, effectively manage General Fund dollars and reduce liabilities.

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

### Results:

**HR develops and manages programs to attract, hire, develop and retain effective and accountable leaders.**

*Baseline:* The programs noted in the offer are included in baseline services. Additionally, the following new items have been added: 0.0375 full-time equivalent (FTE) employee to make a current HR Generalist full-time; 0.25 FTE to increase a part-time Administrative Assistant's hours from 24 hours a week to 34 hours a week; one-time money of \$50,000 over the biennium will be used to hire a consultant to conduct training for employees regarding High Performance Organizations (also known as the Redmond Way) to support the City's cultural shift. A key component of High Performing Organizations is continual improvement of services and processes. In support of this objective, additional one-time money of \$250,000 over the biennium will be used to hire a consultant to conduct LEAN training and evaluation of major City processes. The intent of the program is to create efficiencies, increase capacity and improve the level of service to our customers.

*Above Baseline:* An increase of 2.8% (\$92,000) will result in the following enhancements:

- \$30,000 over the biennium will enable us to purchase a new Employee Performance Management tool. One of our departmental objectives for the upcoming biennium is to completely review and implement changes as needed in the City's current performance management program to provide clarification of expectations and consistency across departments. In May of 2014, a team of employees representing all departments started meeting twice monthly to discuss and analyze current performance evaluation practices. The goal of the team is to recommend solutions to align performance evaluations with our City values and create consistency in departmental forms and practices, as well as in the overall program. The Employee Performance Management tool will better provide Human Resources with the ability to measure effectiveness of our incentive programs, provide feedback regarding the performance of our leaders and staff as well as ensure that the focus is on behaviors which are consistent with a High Performing Organization. Data and metrics are an important element in evaluating performance within an organization. Without this tool, the ability of Human Resources staff to provide data and metrics is hindered because of the limitations of our current system.
- \$62,000 over the biennium will result in the addition of a new program for employment of persons with developmental disabilities. The Redmond Community has expressed interest regarding development of this type of program which will fund supplemental employment opportunities for persons with disabilities. This will provide an additional link to diversity in our workforce and provide funds for the employment of persons with disabilities.

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Id: HUM2857

# BUDGETING BY PRIORITIES

## BUDGET OFFER

### RESPONSIBLE GOVERNMENT

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

**Id:** HUM2857

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### HUMAN RESOURCES

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*Below Baseline:* A 5% budget reduction (\$159,500) will result in the loss of 1.0 employee. With the loss of this employee, the ability to maintain our service level will be impacted. 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 these programs in regard to attracting and retaining effective, accountable leaders. The Department will not have the ability to evaluate and respond in a timely manner to requests for training and will have reduced capacity to assist managers with employee performance issues, grievances and complaints. This 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;
- The percentage of employees satisfied with HR program services may decrease because of poor response time or lower customer service levels;
- Percentage of new hires that pass probation may decrease because less time can be spent guiding and overseeing the process, making it less effective;
- Percentage of performance reviews conducted on-time could decrease because we will not have time to monitor deadlines and to thoroughly develop and implement the training program described previously for the Performance Management tool;
- Turnover rate may increase due to limited Human Resources programs and services which will negatively impact employees;
- Number of grievances per year could increase because staff will not have time to respond to labor issues in a timely fashion; and
- 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.

#### **Prelim Changes:**

Recommended decreases to the offer include:

- Reduce \$100,000 in professional services to continue implementation of LEAN/High Performing Organization activities begun in the 2013-2014 biennium
- Reduce \$20,000 in Recognition Program operating supplies
- Reduce \$1,880 in overtime
- Remove the newly proposed 0.25 FTE increase for the Administrative Assistant position for a total reduction of \$38,876

Recommended increases to the offer include:

- Add \$14,192 to support supplemental salaries
  - Approve the newly proposed 0.04 FTE increase for the HR Generalist position to increase the position to full-time
  - Add \$35,000 to the tuition reimbursement program to be reevaluated in the 2015-2016 biennium
- 

Id: HUM2857

**BUDGETING BY PRIORITIES**  
**BUDGET OFFER**  
**RESPONSIBLE GOVERNMENT**

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

**Id:** HUM2857

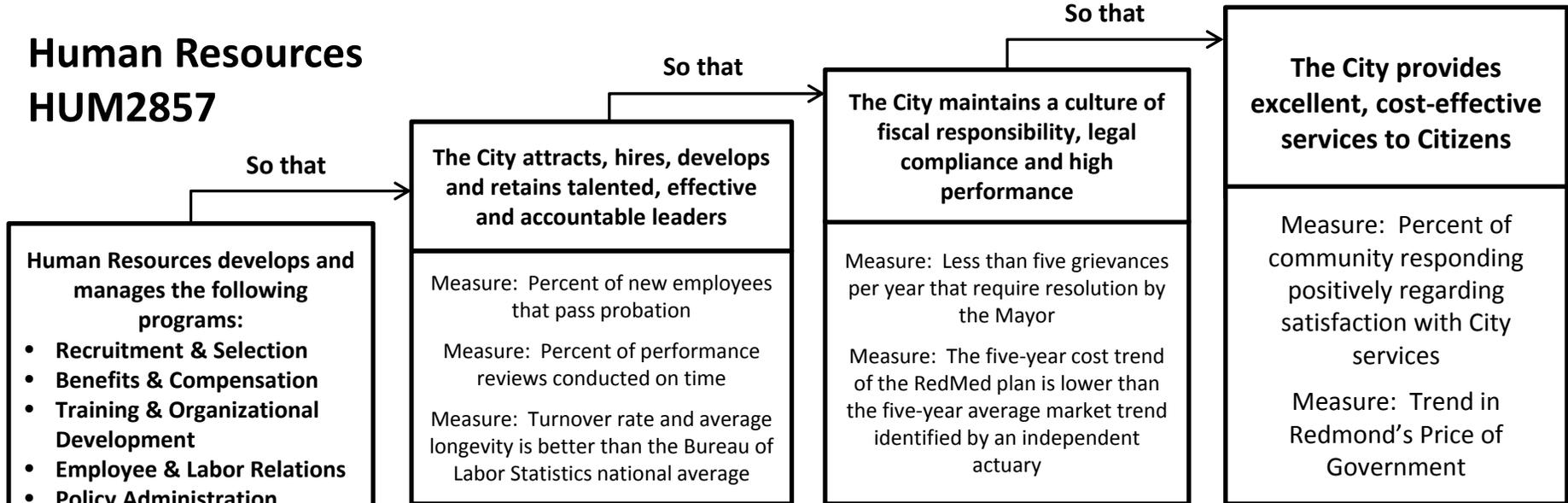
**HUMAN RESOURCES**

**Budget Offer Summary:**

**Expenditure Summary**

	2015	2016	Total
<b>Ongoing-Sal/Ben</b>	\$1,154,896	\$1,227,686	\$2,382,582
<b>Ongoing-Others</b>	\$429,828	\$429,841	\$859,669
<b>OneTime-Sal/Ben</b>	\$0	\$0	\$0
<b>OneTime-Others</b>	\$105,000	\$105,000	\$210,000
<b>TOTAL</b>	<u>\$1,689,724</u>	<u>\$1,762,527</u>	<u>\$3,452,251</u>
<b>FTEs</b>	9.938	9.938	

# Human Resources HUM2857



Performance Measure	Target	Actual	Target	Actual	Target	Actual	Target		
	2011		2012		2013		2014	2015	2016
Percent of employees that are satisfied with HR program services (New)	N/A	N/A	N/A	N/A	N/A	N/A	90%	90%	90%
Average number of days to fill a vacancy (New)	N/A	N/A	N/A	N/A	N/A	N/A	TBD**	TBD**	TBD**
High percent of new employees that successfully complete their probationary period	90%	95%	90%	88%	90%	96%	100%	100%	100%
Percent of performance reviews conducted on time (New)	N/A	N/A	N/A	N/A	N/A	N/A	90%	95%	100%
City turnover rate is lower than benchmarks as defined by the Bureau of Labor Statistics	16.2%	2.40%	18.8%	1.76%	19.9%	3.52%	TBD*	TBD*	TBD*
Average longevity is higher than benchmarks as defined by the Bureau of Labor Statistics (New)	N/A	N/A	N/A	N/A	N/A	N/A	TBD*	TBD*	TBD*
Less than five grievances per year that require resolution by the Mayor (New)	N/A	N/A	N/A	N/A	N/A	N/A	Less than 5	Less than 5	Less than 5
The five-year average cost trend of the RedMed Plan is lower than the five-year average market trend identified by an independent actuary	10.9%	7.28%	10.7%	1.85%	10.9%	4.30%	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 is a new measure and the HR Department has not had time to do any analysis on this measure; therefore, target data is currently not available.

# BUDGETING BY PRIORITIES

## BUDGET OFFER

### RESPONSIBLE GOVERNMENT

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

**Id:** HUM2859

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## SAFETY & WORKERS' COMPENSATION PROGRAMS

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### Description:

**What:** Workplace safety is one of the most important aspects of a fiscally responsible government. A safe work environment contributes to employee efficiency and organizational values by creating a workplace environment where employees can improve individual work performance and provide quality customer service. The funds for these programs are allocated by department. Human Resources works cross-departmentally to develop the programs, 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 departments.

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.

**Why:** The City has a legal mandate to ensure employee safety and provide injury coverage for its workers. The safety and well-being of our employees is a collective and moral 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 has chosen to meet this responsibility by training its employees in safe work practices and self-insuring for its claim expenses related to work injuries.

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 have been incorporated into the results section below.

Choosing self-insurance allows the City to better manage fiscally its Workers' Compensation program, including how risk is shared and minimized. The City also chooses to leverage the skills of its employees to provide safety training. This hands-on 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 like 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 contributes 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 for these programs are all City employees, elected officials and the citizens 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.

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Id: HUM2859

# BUDGETING BY PRIORITIES

## BUDGET OFFER

### RESPONSIBLE GOVERNMENT

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

**Id:** HUM2859

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### SAFETY & WORKERS' COMPENSATION PROGRAMS

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#### Results:

*Baseline:* Based on an actuarial analysis of this Workers' Compensation program completed in 2013, funding ought to be increased for the biennium in the line items for Workers' Compensation and Excess Insurance. The additional cost for Workers' Compensation would be \$222,172 and the additional cost for excess loss insurance is anticipated to be \$19,643. These costs have been newly added to the baseline budget to ensure that services and programs are funded at the appropriate level. If funded at the baseline, the City will continue to provide the same level of safety training and the funding for Workers' Compensation will align with the program costs anticipated in 2015 and 2016. The actuarial study also estimated the unpaid losses on claims. This would be an expectation of the amount (lost time and medical expenses) yet to be paid on claims. That amount is \$1,263,955. The recommendation from the actuarial study is to keep that amount in reserve. The new beginning balance reflects this amount.

*Below Baseline:* A 5% budget reduction of \$99,196 would result in the loss of a portion of a full-time employee. Staff responsibilities would need to be redirected and the ability of the Human Resources Department to coordinate, develop and manage the safety training program would be impacted. The Third Party Administrator might need to handle claims more directly with less oversight from the City due to increased staff workloads. Safety activities such as audiology testing and random drug testing might need to be taken over by City departments.

As an alternative to losing staff, the City could choose not to pay its excess insurance premium (\$105,643). Excess insurance is meant to cover the City in the event of a catastrophic claim that exceeds \$500,000. This insurance is important to have, but it is becoming harder to obtain. Currently, only two companies offer this type of coverage in the Workers' Compensation industry. Finally, as another potential cut, the car used for safety related issues and training could be replaced through the use of pool cars (\$5,831). This would limit quick response to impending safety and claim issues as they occur.

#### Prelim Changes:

Recommended increase to the offer includes:

- Add \$241,815 for medical benefits to cover additional costs to the Workers' Compensation Fund
  - Increase reserve by \$400,000 to bring reserves up to 2013 levels (original reserve request equaled \$1,263,955)
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Id: HUM2859

**BUDGETING BY PRIORITIES**  
**BUDGET OFFER**  
**RESPONSIBLE GOVERNMENT**

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

**Id:** HUM2859

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**SAFETY & WORKERS' COMPENSATION PROGRAMS**

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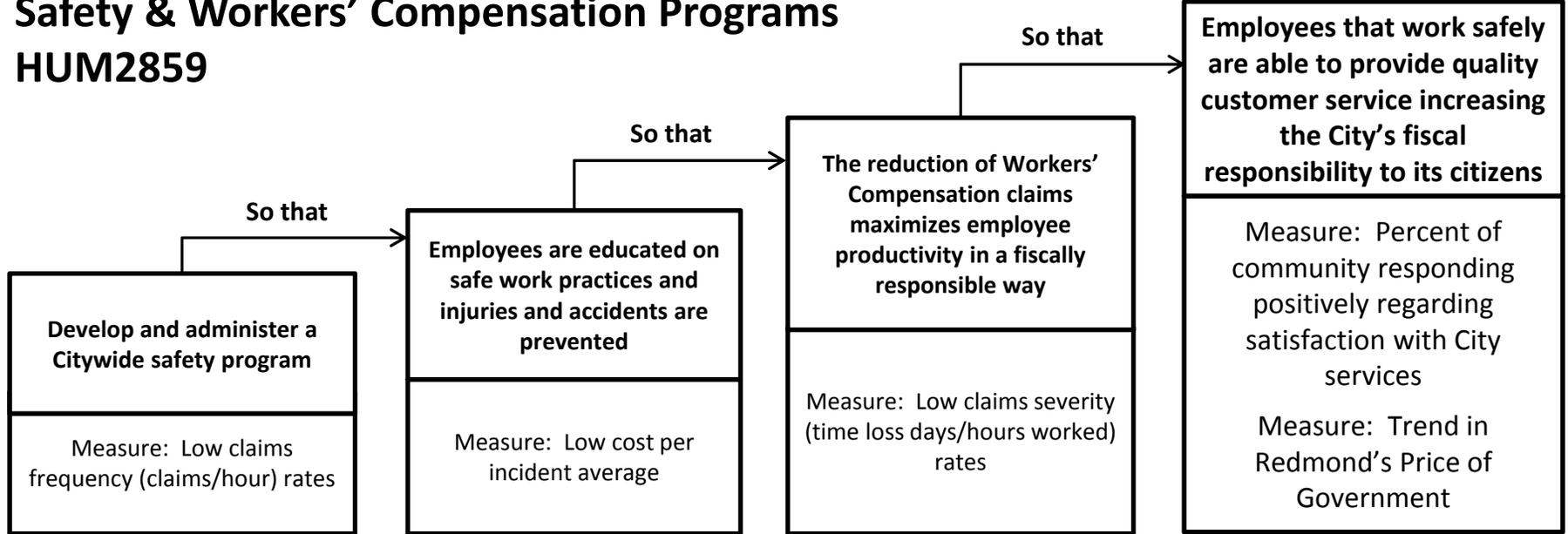
**Budget Offer Summary:**

**Expenditure Summary**

	2015	2016	Total
<b>Ongoing-Sal/Ben</b>	\$191,036	\$202,112	\$393,148
<b>Ongoing-Others</b>	\$1,134,549	\$1,216,598	\$2,351,147
<b>OneTime-Sal/Ben</b>	\$0	\$0	\$0
<b>OneTime-Others</b>	\$0	\$467,038	\$467,038
<b>TOTAL</b>	<u>\$1,325,585</u>	<u>\$1,885,748</u>	<u>\$3,211,333</u>
<b>FTEs</b>	1.600	1.600	

# Safety & Workers' Compensation Programs

## HUM2859



Performance Measure	Target	Actual	Target	Actual	Target	Actual	Target		
	2011		2012		2013		2014	2015	2016
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	.000071 (3,487 claims/ 49,143,931 hours)	.000055 (71 claims/ 1,280,202 hours)	.000061 (3,325 claims/ 54,416,272 hours)	.000046 (55 claims/ 1,203,273 hours)	.0000721 (2,106 claims/ 29,185,582 hours)	.0000496 (59 claims/ 1,189,105 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	.000856 (42,074 time loss days/ 49,143,931 hours)	.00046 (586 time loss days/ 1,280,202 hours)	.000733 (39,881 time loss days/ 54,416,272 hours)	.00059 (715 time loss days/ 1,203,273 hours)	.000917 (2,673 time loss days/ 29,185,582 hours)	.00051 (608 time loss days/ 1,189,105 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	\$4,394	\$2,945	\$6,638	\$7,442	\$8,028	\$5,199	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

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

**Id:** PW-2814

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#### PROVIDE DEPENDABLE VEHICLES & EQUIPMENT

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##### **Description:**

**What:** Fleet Services has the responsibility for procuring and maintaining the City's fleet in a safe, dependable and fiscally responsible manner. The fleet consists of 296 vehicles and heavy equipment and roughly 200 pieces of smaller equipment all valued at approximately \$10 million. The goal of Fleet Services is to achieve a balanced cost savings approach while working collaboratively with its customers to provide them with quality service, safe and appropriate vehicles and/or equipment. Fleet is also responsible for maintaining an adequate fuel supply and ensuring the fuel station meets regulatory compliance for clean air, leak detection and safety.

**Why:** The ability of Fleet's customers to respond to public safety emergencies and conduct business throughout the City depends heavily on the reliability and availability of necessary vehicles, equipment and fuel supply. An effective, efficient and proactive fleet maintenance program streamlines maintenance and repairs on vehicles resulting in a reduced risk of premature parts failures, lengthens vehicle lifecycles, minimizes breakdowns, reduces downtime and reduces costs. Without safe and reliable vehicles and equipment, the services delivered to the citizens of Redmond by City staff would be compromised, projects would be delayed and the safety and emergency needs of our citizens and business community would be jeopardized. Fleet plays an important supportive part of ensuring the City is responsive and responsible to the citizens and businesses of Redmond.

**Who:** Fleet Services' direct customers are the City employees who utilize vehicles or equipment to perform their jobs safely, effectively and efficiently. They may use them as a mobile office, primary resource in their day-to-day jobs, or on a more casual basis, such as occasionally needing a motor pool vehicle. By providing reliable, friendly and dependable Fleet services, City employees can continue to serve our ultimate customer who is anyone who works, lives or plays in Redmond.

##### **Results:**

The Provide Dependable Vehicles and Equipment offer uses the following definitions for levels of service:

- 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 infrastructure protection and prevention of deterioration
- Comprehensive - Integrated approach across multiple business lines to best achieve broader City objectives

The baseline offer includes the staffing, materials and equipment necessary to deliver all of our core tasks at a Managed or Proactive service level.

*Baseline:* Using the 2011 Fleet Study recommendations, Fleet Services will follow a preventive maintenance program that meets and commonly exceeds manufacturers' guidelines along with maintaining an inventory of frequently needed parts. These are all important aspects to make sure a vehicle reaches its expected life and can be repaired or maintained quickly and efficiently so it can get back into the hands of its customers. In addition to the repair and maintenance of the City's vehicles and equipment, Fleet Services provides responsive, quality customer service by working collaboratively with their customers to develop the specifications and ultimately procure new vehicles and equipment. Other Fleet responsibilities include maintaining all aspects of the City's fuel-dispensing system, maintaining and repairing portable emergency generators, maintaining a vehicle wash facility and decommissioning surplus vehicles and equipment.

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Id: PW-2814

# BUDGETING BY PRIORITIES

## BUDGET OFFER

### RESPONSIBLE GOVERNMENT

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

**Id:** PW-2814

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### PROVIDE DEPENDABLE VEHICLES & EQUIPMENT

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In support of the City's environmental initiative of "greening the fleet", Fleet strives to reduce emissions by investing in numerous hybrid vehicles and continues to investigate alternative fuel sources and other eco-friendly innovations.

The Provide Dependable Vehicles and Equipment offer ensures the maintenance, repair, procurement and fuel required to provide cost efficient vehicles and equipment to City staff. This requires Fleet team members to be knowledgeable in all types of diesel, gas, hybrid and electric vehicles used by the City ranging from heavy duty construction equipment to commuter sedans so they can provide reliable and responsive service to their customers. Fleet has also invested in state-of-the-art diagnostic equipment designed to accurately troubleshoot component and engine failures and remain up-to-date with new and upcoming technologies with cost savings results.

*Below Baseline:* A 5% budget reduction (\$190,565) would require Fleet to scale back on vehicle and equipment replacement purchases, resulting in extending the life of these assets. Based on the comprehensive Fleet Study performed in 2011, the life expectancy of most of the City's vehicles and equipment has already been extended. Extending the life further would increase repair costs, foster higher vehicle failure rate prior to the end of their useful life and eliminate any salvage cost recouping when the vehicle is retired from the fleet. Many City employees view their vehicles as their office so an increased downtime due to equipment and vehicle failures or not having their vehicle at all would reduce their availability to serve their customers.

**Prelim Changes:**

No change in program.

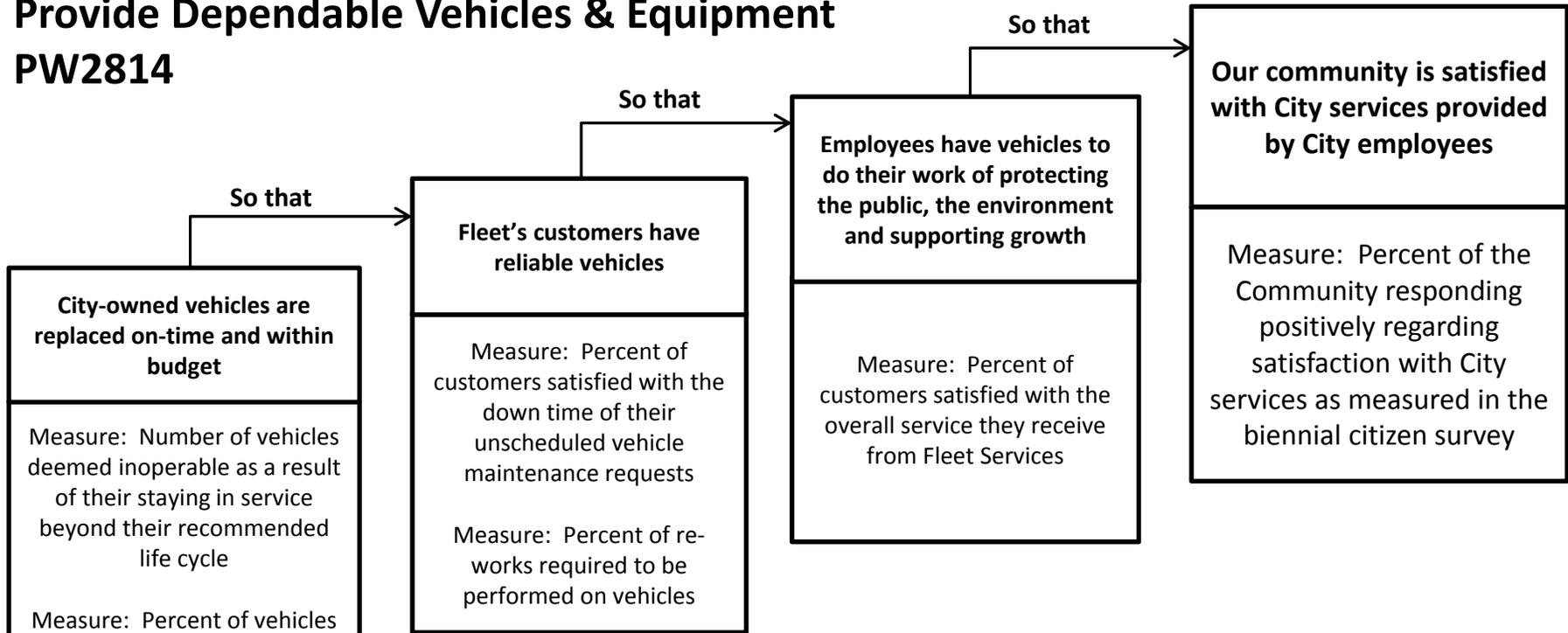
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**Budget Offer Summary:**

**Expenditure Summary**

	2015	2016	Total
<b>Ongoing-Sal/Ben</b>	\$734,668	\$732,228	\$1,466,896
<b>Ongoing-Others</b>	\$1,181,328	\$1,160,679	\$2,342,007
<b>OneTime-Sal/Ben</b>	\$0	\$0	\$0
<b>OneTime-Others</b>	\$0	\$4,270,625	\$4,270,625
<b>TOTAL</b>	<u>\$1,915,996</u>	<u>\$6,163,532</u>	<u>\$8,079,528</u>
<b>FTEs</b>	7.250	7.250	

# Provide Dependable Vehicles & Equipment PW2814



Performance Measure	Actual			Target		
	2011	2012	2013	2014	2015	2016
Number of vehicle deemed inoperable prior to replacement (New – starting in 2014)	N/A	N/A	N/A	0	0	0
Percent of vehicle replacements within budget (New – starting in 2014)	N/A	N/A	N/A	100%	100%	100%
Percent of customers satisfied with response times to unscheduled vehicle and equipment service requests	75%	N/A*	77%	>85%	>85%	>85%
Percent of reworks required on vehicles (New – starting in 2014)	N/A	N/A	N/A	<95%	<95%	<95%
Percent of customers satisfied with overall service they receive from Fleet Services	73%	N/A*	90%	>95%	>95%	>95%

\*Note: The annual internal customer survey was not available in 2012.