

Item No. 11a_supp 1

Date of Meeting: September 24, 2024



Proposed 2025 Central Services Budget Commission Briefing



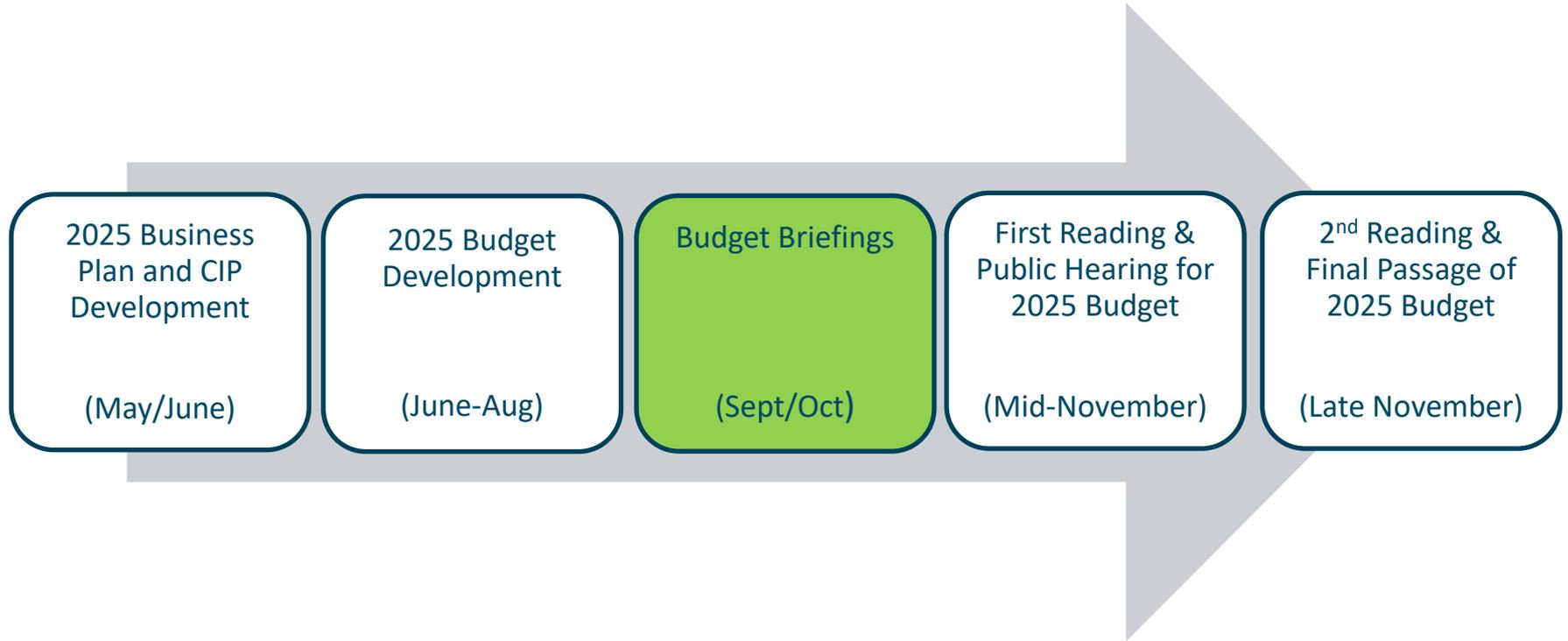
Overview

- 2025 Budget Timeline
- Strategy to Budget Process
- Key Budget Drivers & Considerations
- Central Services Operating budget
- Equity in Budgeting
- Central Services CIP
- Remaining Budget Schedule

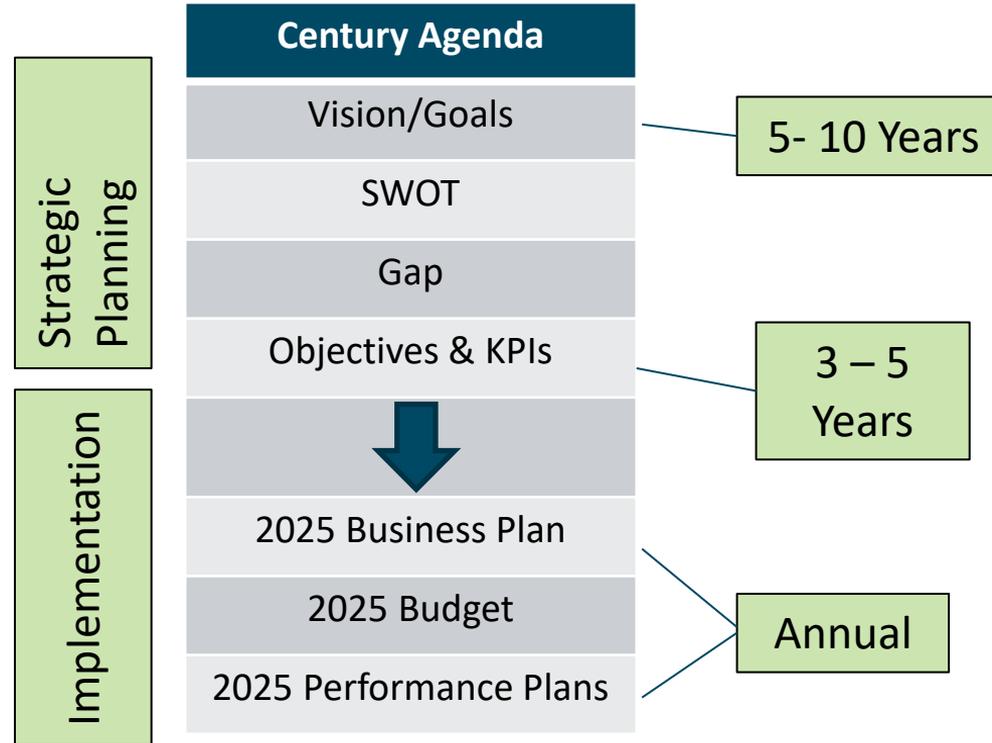




2025 Budget Timeline



Strategy to Budget Process





Key 2025 Budget Drivers & Considerations

- Economic and geopolitical uncertainties
- Maintaining sustainable expense growth
- Investment in workforce and Compensation Project budget impacts
- Growing operational needs and capital investment program
- Commission Priorities alignment
- Focus on resiliency
- Evolving public safety environment
- General and construction cost inflation
- Investment in Environmental Sustainability, Workforce Development & Community Programs
- Equity Budgeting and Spending (ESAP)

Central Services Proposed Budget





Central Services Overview

- Central Services provides a large number of essential services to the Port's three operating divisions and to the Northwest Seaport Alliance (NWSA) per service agreements.
- The departments of Central Services are vital to the success of the operating divisions and the NWSA and benefit the public in general.
- Central Services include 20 departments, including Accounting, Human Resources, External Relations, Legal, Police, Engineering, Port Construction Services, Information & Communication Technology, etc.
- Central Services expenses are allocated to the operating divisions and the NWSA or, in some cases, funded by the Tax Levy



2025 Baseline Budget Development

- Start with 2024 Approved Budget
- Remove 2024 One-Time Items
- Adjust and annualize for 2024 new FTEs and mid-year approvals
- Adjust for non-discretionary contractual increases and GASB 96 change (certain Software as a Service agreements now capitalized)
- Add payroll increase assumptions

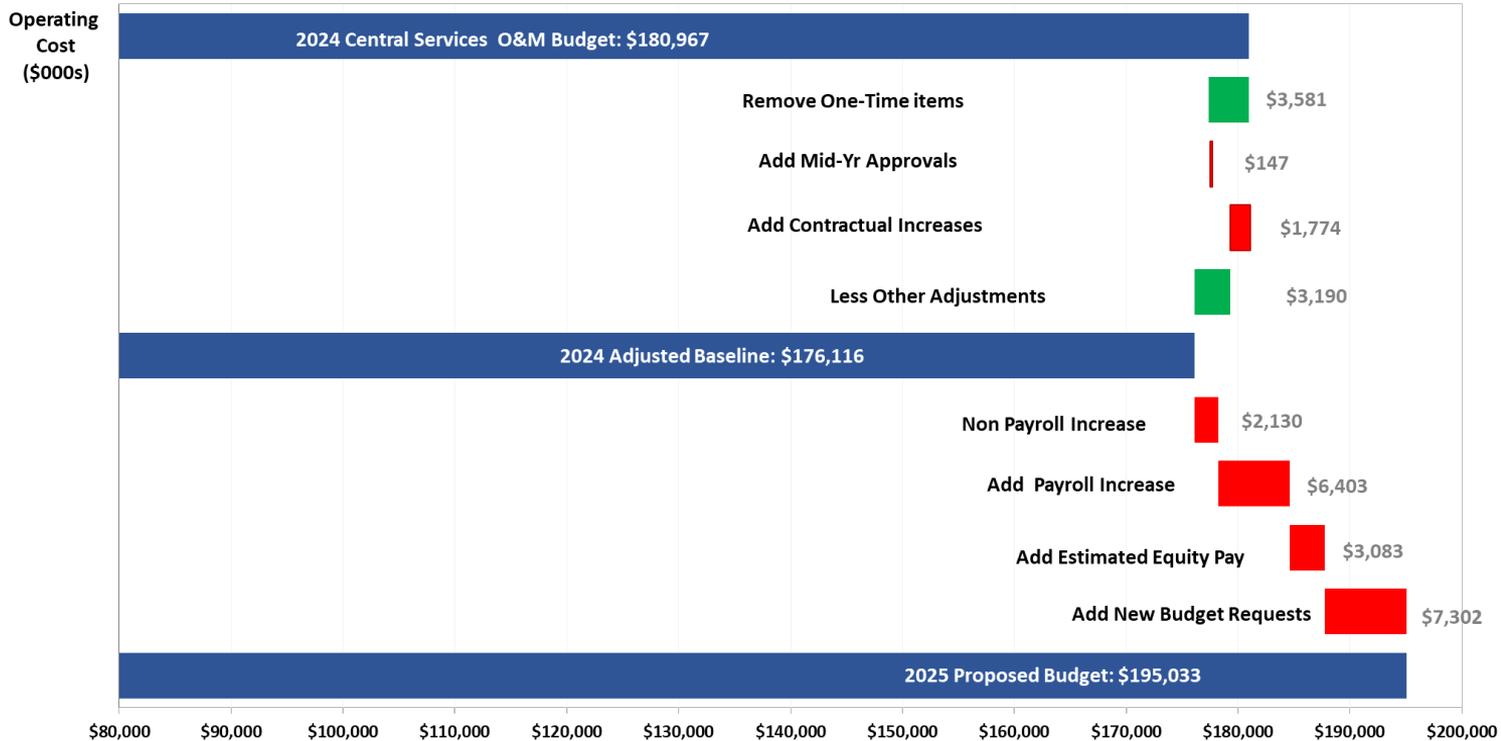
Key Baseline Budget Drivers

- Investment in Workforce
 - 5% average non-represented pay increase
 - Represented pay increases based on negotiated contracts
- Other payroll increases
 - Annualized payroll for 2024 new FTEs
 - Annualized payroll for 1.0 mid-year approved new FTE
- Non-discretionary contractual increases & GASB 96 change
 - Property Insurance
 - ICT Software License & Maintenance Agreements
 - Other Contractual Increases & GASB 96 change

Central Services Proposed Budget Summary

- Total operating expense is \$195.0M, \$14.1M or 7.8% higher compared to the 2024 Budget
 - Reflects adjusted baseline and new additions including 34 new FTEs plus \$3.1M for Equity Pay adjustments
- Key considerations for budget additions:
 - Risk reduction
 - Increased or enhanced capabilities
 - New initiatives
 - Commission priorities
 - Increased operational needs or forecasted business/construction activity
 - Inflation

2025 Operating Expense Budget Changes



2025 New Budget Requests Summary

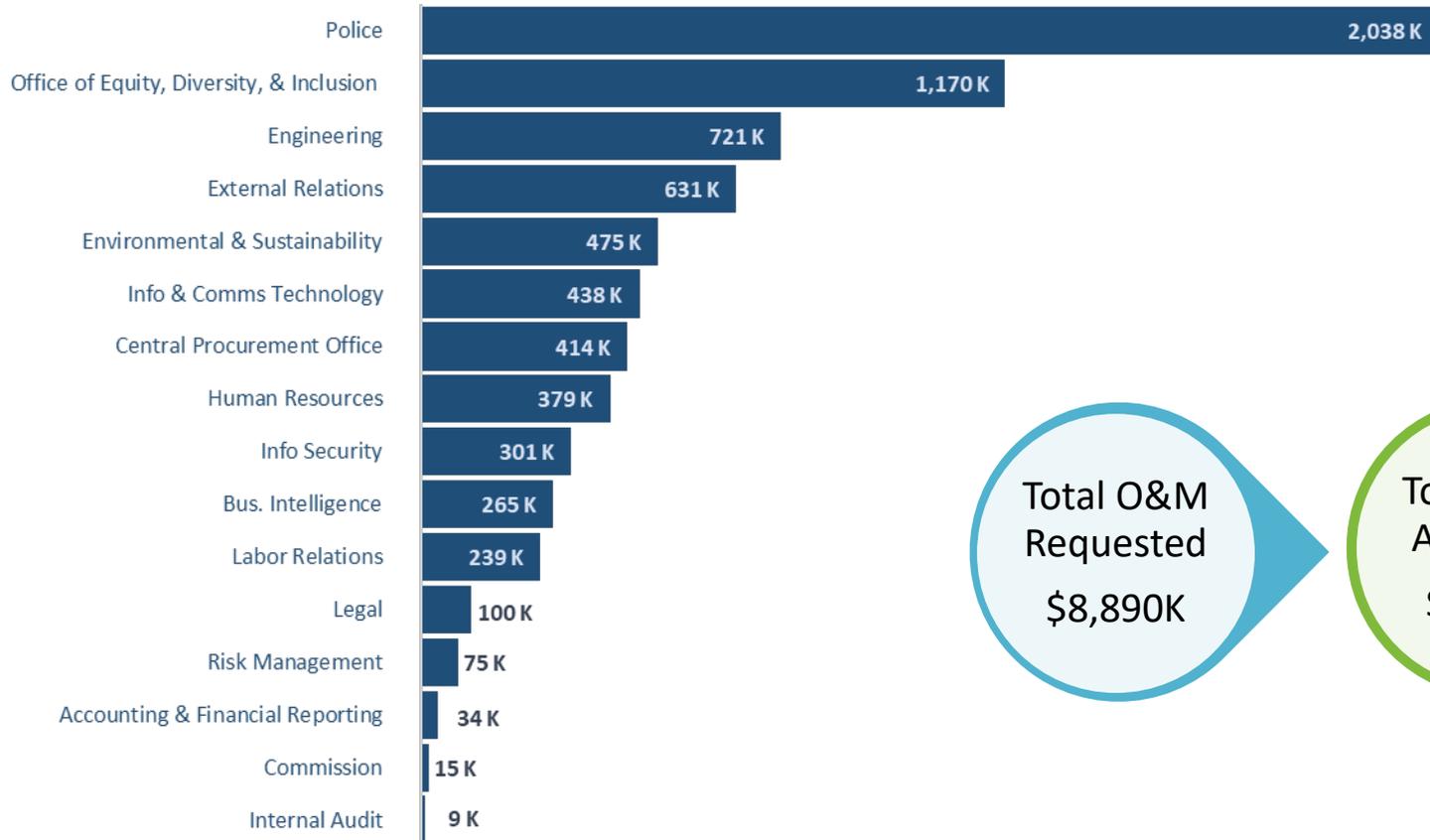
Description	Requested	Approved	%
Total # of Requests	76	57	75%
Total O&M Amount	8,890 K	7,302 K	82%
Payroll	5,019 K	4,155 K	83%
Non-Payroll	3,870 K	3,147 K	81%
<i>Funded by Levy</i>	<i>1,187 K</i>	<i>1,186 K</i>	<i>100%</i>
New FTEs	40.0	34.0	85%



***Abbreviation Key for New Approved Items:**

- YMCL-Youth Maritime Career Launch Program (750K)
- DVCEP- Duwamish Valley Community Equity Program (312K)
- SKCCIF- South King County Community Impact Fund (125K)

2025 Approved New Budget Requests by Dept (O&M)



Total O&M Requested
\$8,890K

Total O&M Approved
\$7,302K



Selected Major Budget Additions

Police: Public Safety

- \$1.7M for **12 new FTEs** to support new Special Operations Bureau, new Homeland Security Division Emergency Services Unit, 911 Communications Center, and Police administrative needs
- \$219K for **firearms enhancements and training**
- \$117K for **K9 Unit Operations**

OEDI: Commission Priorities Alignment

- \$750K investment in **Youth Maritime Career Launch Program**
- \$220K for **Civil Rights Program Manager**
- \$100K for **Language Access Program**
- \$100K for **I-BEST Pilot Development/Partnership**

Selected Major Budget Additions

External Relations: Commission Priorities Alignment & Operational

- \$311K to support the **Duwamish Valley Community Equity Program**
- \$125K to support the **South King County Community Impact Fund Community Capacity Building**
- \$100K to support **SEA Communications and Marketing**
- \$50K for **State and Federal Grant writing**
- \$45K for **Fishermen's Terminal Capital Programs outreach**

Environmental & Sustainability: Commission Priorities Alignment

- \$175K to for research and project implementation to **reduce Scope 3 GHG emissions**
- \$300K to advance state and federal policies that **support the development and deployment of zero emission maritime and aviation fuels**

Selected Major Budget Additions

ICT: Security & Operational

- \$188K for software and an additional FTE to support the development and implementation of **Machine Learning and Artificial Intelligence**
- \$249K for an additional FTE to provide training, support and implement solutions for our growing **Software as a Service (SaaS)** platforms and an additional developer/programmer to support the Port's **PeopleSoft systems**

Info Security: Security

- \$176K for an Information Security Technology Lead position to assist with **strategy, design, and implementation** of Information Security systems
- \$125K for a Cyber Safety and Security Tech Consultant to **enhance cyber technologies** and **strategic resilience** of Port cyber and public safety systems technology

Selected Major Budget Additions

CPO: Operational/Workforce

- \$293K for three additional FTEs to support growing **procurement needs** of the organization
- \$120K for a procurement **workforce analysis** and to support **continuous improvement**

HR: Operational/Workforce

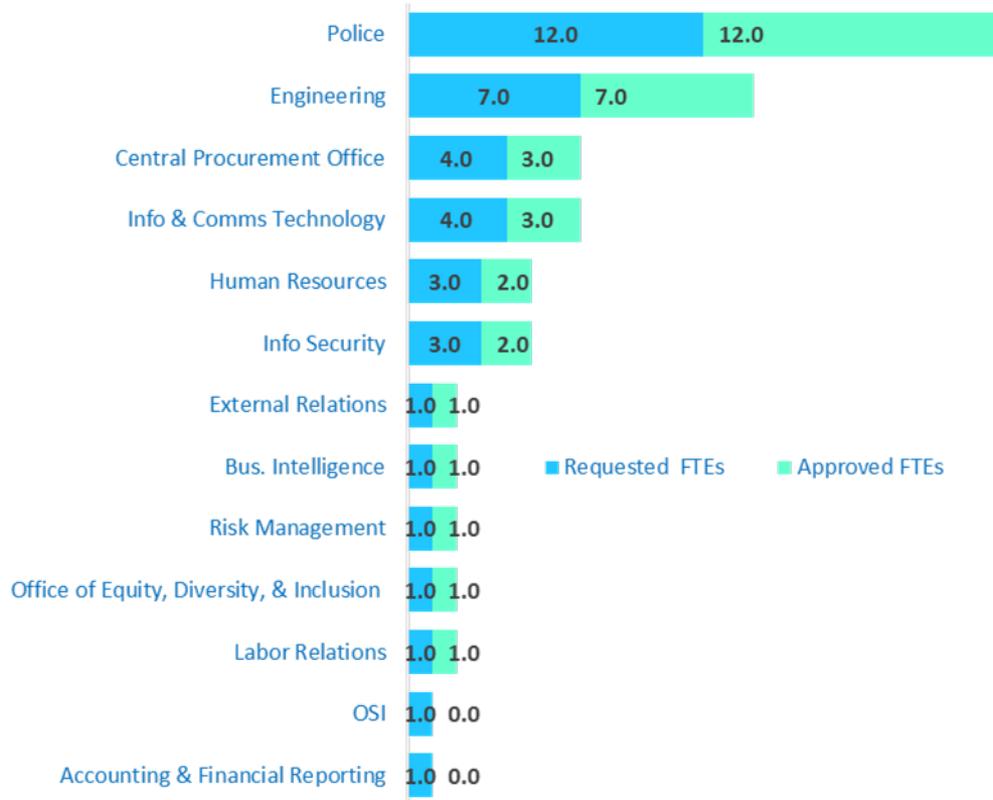
- \$274 for an additional FTE to coordinate departmental **process improvement** efforts and an additional **Senior Investigation Specialist**
- \$70K for **Inquiry Ticketing System** and **Onboarding System**
- \$35K for **COBRA Third Party Administrator** and support for **Employee resource groups**

Engineering: Capital Program

- \$721K for seven additional FTEs to support **growing capital program**

Approved New FTEs Summary

Requested vs Approved FTEs

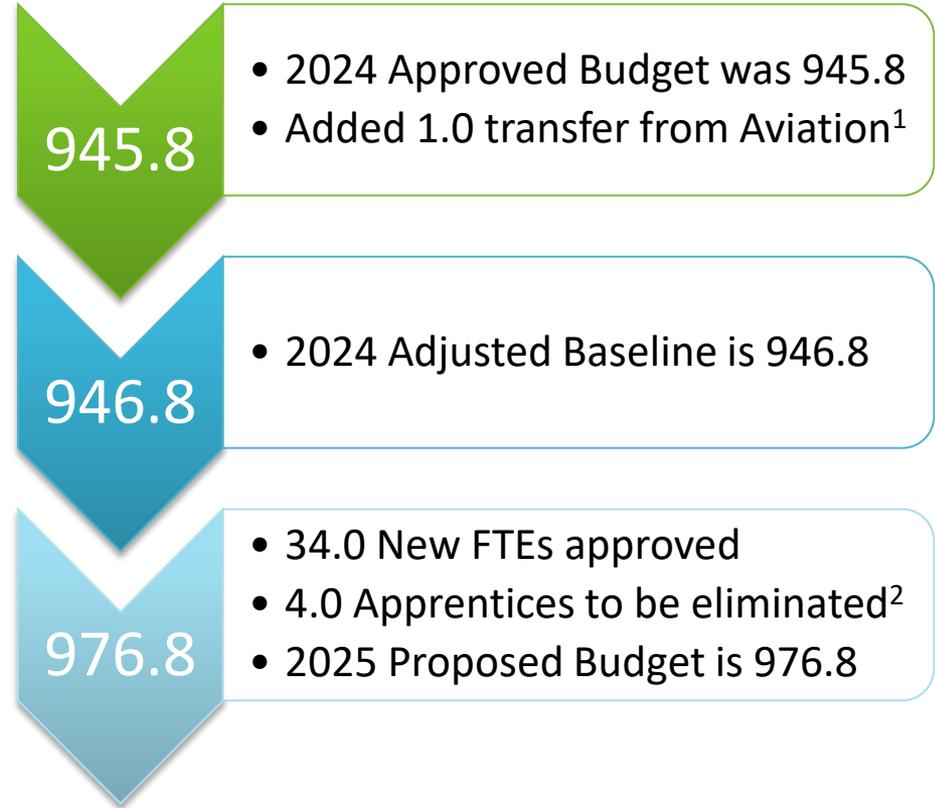


2025 Central Services Proposed FTEs Summary

Description	FTEs
2024 Approved Budget	945.8
Changes in 2024:	
Mid-Year Approvals	0.0
Eliminated	0.0
Transfer ¹	1.0
2024 Baseline	946.8
2025 Budget Changes:	
Transfer	0.0
Eliminated ²	-4.0
New FTEs Approved	34.0
Net Change	30.0
2025 Proposed FTEs	976.8

Notes:

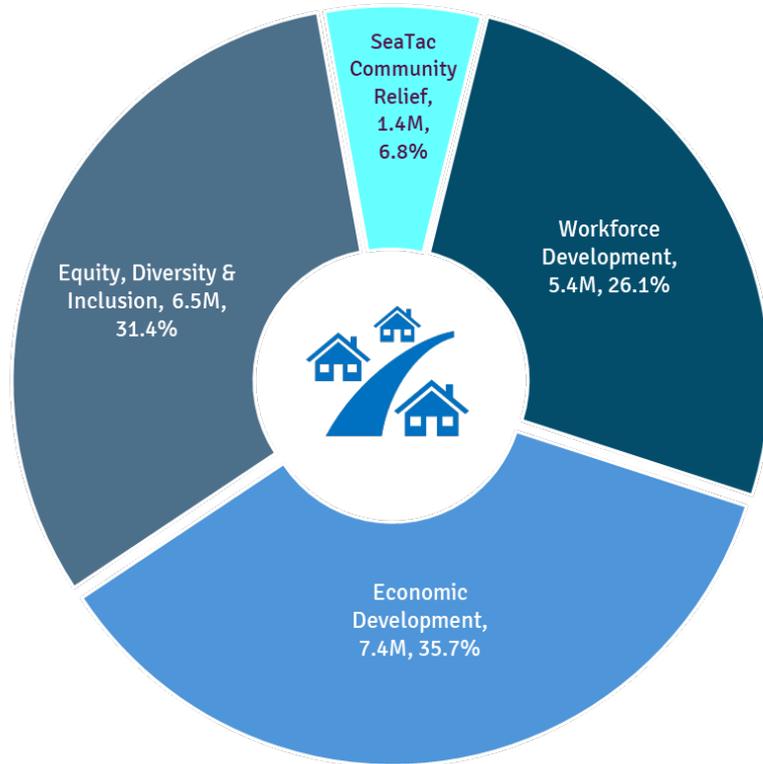
- 1) 1.0 FTE was transferred from AV security to External Relations
- 2) 4.0 Represented FTEs in WFD to be eliminated. Program never implemented



Central Services Proposed Budget Highlights

- Total operating expense is \$195.0M, \$14.1M or 7.8% higher compared to the 2024 Budget
 - Total Payroll budget increased by \$13.4M or 9.6% due to:
 - 5.0% Average Pay for Performance Increase
 - Annualized new FTEs approved in the 2024 budget
 - 34.0 new FTEs
 - \$3.1M increase for Equity Pay
 - Non-payroll increased by \$694K or 1.6% mainly due to:
 - Higher on-site consultant costs, Insurance Expense, and other contractual increases; partially offset by SBITA and one-time items in 2024 budget.

2025 Port Community Program Funding by Activity*



Total 2025 Budget: \$20.7M

Economic Development

- Tourism Marketing Support - \$2.2M
- Spotlight Advertising - \$1.6M
- Community Business Connector - \$380K
- Diversity in Contracting - \$2.4M
- Maritime Blue - \$175K
- Green Economy - \$50K

Workforce Development

- Workforce Development Department - \$4.9M
- High School Interns - \$520K

Equity, Diversity & Inclusion

- South King County Community Impact Fund (SKCCIF) – \$2.2M
- OEDI Department - \$2.6M
- Duwamish Community Equity program (DVCEP) – \$617K
- Low Carbon Fuel Standard – \$300K
- Airport Community Ecology Fund – \$40K
- Staff Costs supporting DVCEP & SKCCIF – \$781K

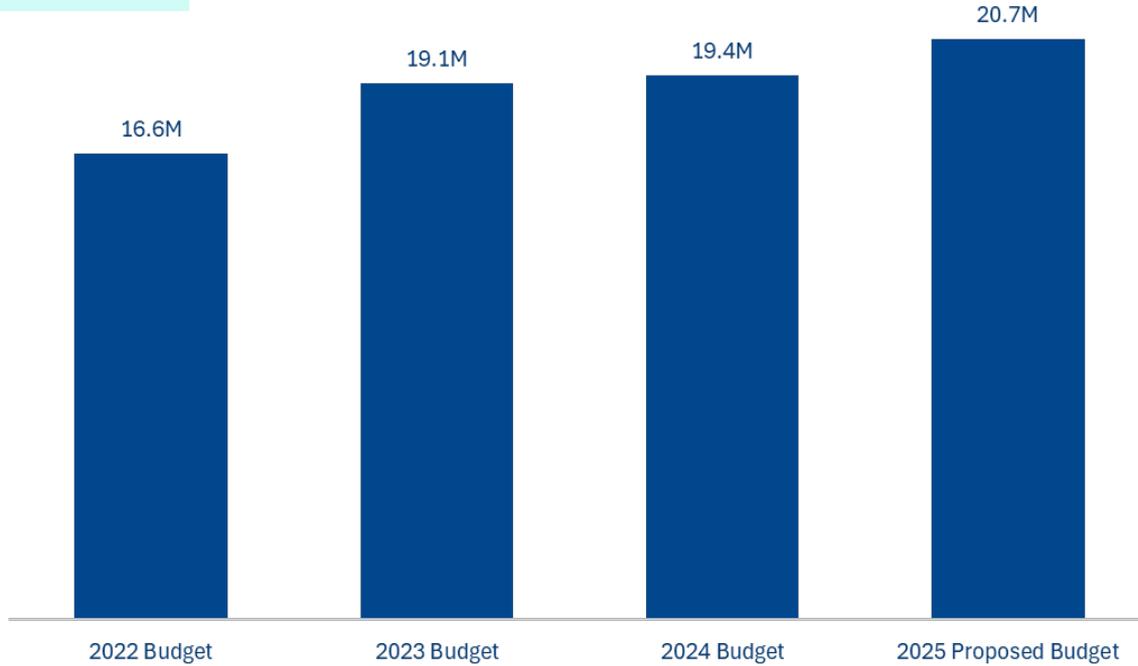
SeaTac Community Relief

- \$1.4M

* Detailed list included in the Appendix.

Port Community Programs

* Detailed list included in the Appendix.



Uncertainties/Budget Risks

- Slowing economic growth
- HR Compensation Project impacts
- Ability to execute on a growing number of programs and initiatives, including capital plan
- Impacts of cyber incident
- Vacancy rate assumed at 5% in budget

ESAP/Budgeting With Equity Summary



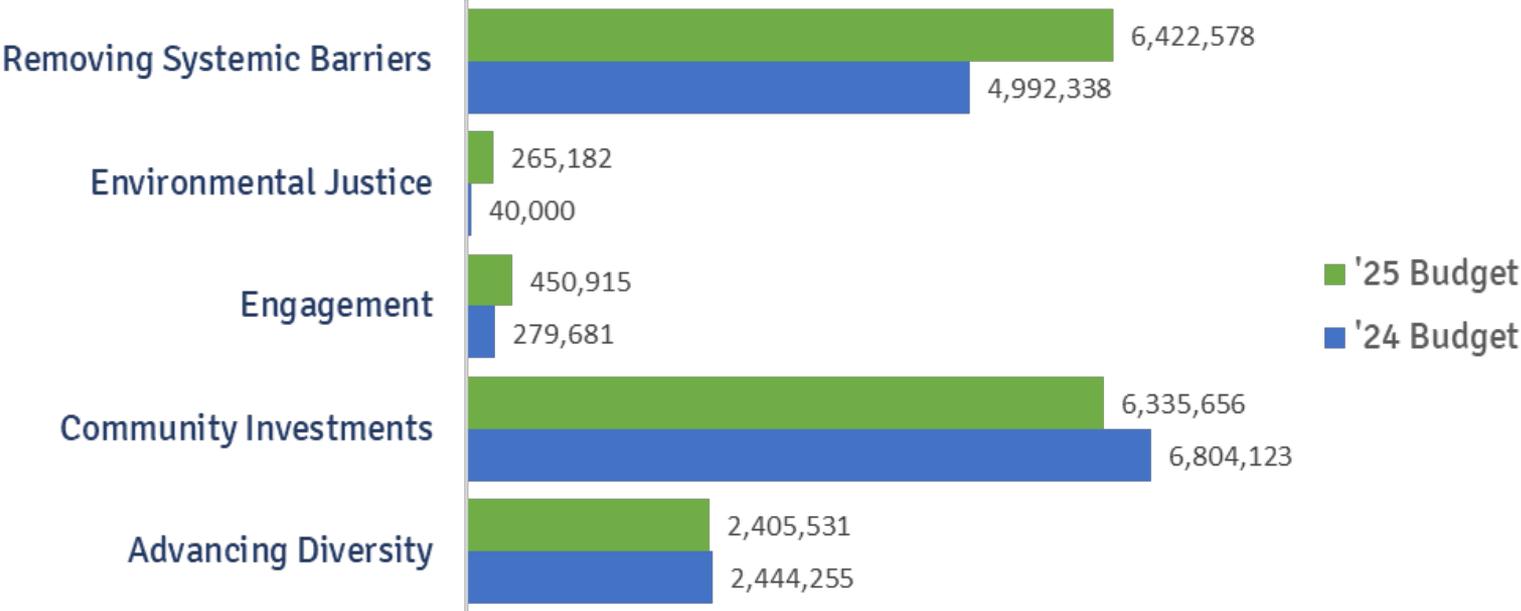
2025 Central Services Equity Spending* Highlights

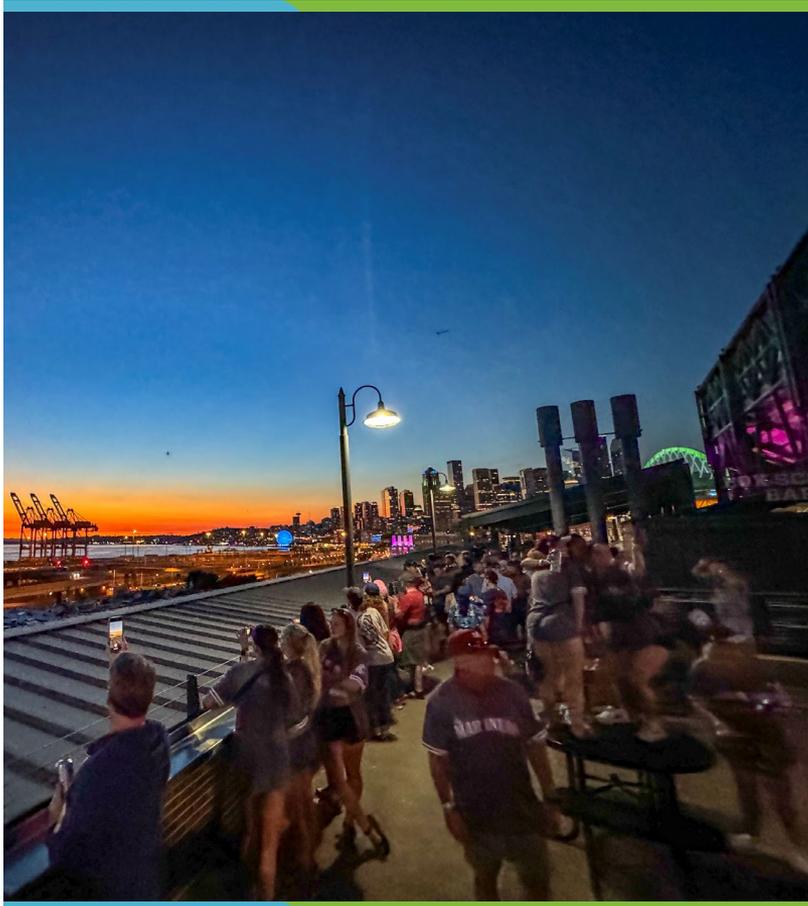
- Continue to support the workforce development programs (\$4,876K)
 - Airport Employment Center (\$1,517K)
 - Youth Career Launch Program (\$750K)
 - Construction Pre-Apprenticeship Program (\$750K)
 - Maritime High School (\$250K)
- Continue to fund South King County Community Impact Fund (\$2,205K)
- Continue to fund High School Internship Program (\$520K)
- Continue to fund the Duwamish Valley Community Equity Program (\$776K)
- Continue to fund resources to support Employee Resource Groups (\$30K)

* Equity spending definition and criteria included in Appendix

2025 Central Services Equity Spending

TOTAL AMOUNT by category





Central Services CIP

September

Central Services Capital Projects Summary

Five Year Capital Plan (\$000's) *	2025	2026	2027	2028	2029	2025-2029 Total
Commission Authorized Projects	13,658	630	-	-	-	14,288
Projects Pending Authorization	6,153	3,340	2,500	2,500	3,000	17,493
Small Capital	7,674	5,224	5,250	4,501	5,025	27,674
CIP Cashflow Management Reserve	(8,200)	2,000	2,000	2,500	1,700	-
Total	19,285	11,194	9,750	9,501	9,725	59,455

* Excludes ICT projects budgeted within operating divisions as well as ICT portions of PMG led projects.

Commission Authorized Projects

Five Year Capital Plan (\$000's)	*	2025	2026	2027	2028	2029	2025-2029 Total
Commission Authorized Projects							
ID Badge System Upgrade	U	2,899	-	-	-	-	2,899
Enterprise Network Refresh	U	2,464	-	-	-	-	2,464
Radio Microwave Redundancy Loop	U	1,931	-	-	-	-	1,931
Physical Access Control System Refresh	U	1,095	-	-	-	-	1,095
GIS ESRI Refresh	U	204	-	-	-	-	204
PeopleSoft Financial System Upgrade	U	2,609	-	-	-	-	2,609
Enterprise Firewall Refresh	U	1,490	-	-	-	-	1,490
Contract Management System Replacement	U	130	630	-	-	-	760
Specification Document Management Software	N	536	-	-	-	-	536
TierPoint SAN Refresh	U	300	-	-	-	-	300
Total		13,658	630	-	-	-	14,288

* N = New System or Function U = System Upgrades or Replacements

Projects Pending Authorization

Five Year Capital Plan (\$000's)	*	2025	2026	2027	2028	2029	2025-2029 Total
Projects Pending Authorization							
IT Renewal/Replacement	U	2,500	2,500	2,500	2,500	3,000	13,000
Maximo Software System Upgrade	U	1,600	-	-	-	-	1,600
Fleet Management Software	N	850	-	-	-	-	850
Property Management System Upgrade	U	-	840	-	-	-	840
Corp SBITA before go live	U	703	-	-	-	-	703
Fire Alarm Monitoring System	U	500	-	-	-	-	500
Total		6,153	3,340	2,500	2,500	3,000	17,493

* N = New System or Function U = System Upgrades or Replacements

Small Capital Projects

Five Year Capital Plan (\$000's)	2025	2026	2027	2028	2029	2025-2029 Total
Small Capital						
Corporate Fleet Replacement	3,030	1,144	1,000	761	1,190	7,125
Technology Infrastructure	1,500	1,500	1,500	1,500	1,500	7,500
Technology Business Applications	1,500	1,500	1,500	1,500	1,500	7,500
Engineering/PCS Fleet Replacement	980	490	600	240	165	2,475
Enterprise GIS Small Capital	250	250	250	250	250	1,250
Engineering Small Capital	214	140	200	50	220	824
Corporate Small Capital	200	200	200	200	200	1,000
Services Technology Small Cap	-	-	-	-	-	-
Total	7,674	5,224	5,250	4,501	5,025	27,674

CIP Cashflow Management Reserve						
CIP Reserve - Central Services	(8,200)	2,000	2,000	2,500	1,700	-

Remaining 2025 Budget Schedule

- Operating division proposed budget briefings (10/08)
- 2025 Tax Levy & Draft Plan of Finance Commission Briefing (10/22)
- 2025 proposed Budget Document Available to the Commission (10/22)
- 2025 proposed Budget Document Available to the Public (10/24)
- NWSA Budget Adoption by Managing Members (11/05)
- Introduction and Public Hearing of the 2025 Budget (11/12)
- Commission Approval of the 2025 ILA between POS and the NWSA (11/12)
- Adoption of the 2025 Budget (11/19)
- Filing of 2025 Statutory Budget with King County Council & Assessor (11/27)
- Release of 2025 Budget to the Public (12/5)

Appendix



FOREST RESTORATION AREA

PLEASE DO NOT DISTURB

Port of Seattle  QUESTIONS? CONTACT THE PORT OF SEATTLE (206) 787-5525

www.portseattle.org





Environmental Scan

On track for full recovery from pandemic in 2024

Geopolitical risks and domestic uncertainties, regional fiscal outlook

Persistent inflation and uneven economy

Rapid technological advances

Climate change challenges

Competitive job market and growing compensation costs

Large capital plan driving emphasis on execution/delivery

Continued focus on community, equity and environmental justice initiatives

2025 Budget Guiding Principles

- Continue to take a **prudent approach** in budgeting due to economic uncertainties
- Ensure the continued **efficient operation** of Port business gateways
- Support regional **equitable economic growth** through a balanced approach of investing in our business gateways and in environmental, equity and community programs
- Continue to **invest in employee** recruitment, retention and development

2025 Budget Strategies

- Incorporate **sustainable expense growth** into budgets and business plans
- **Carefully evaluate the need for additional FTEs** to manage expense growth and mitigate HR recruiting backlog
- Incorporate expectations for **continued inflation** into operating and capital plans
- Utilize realistic assumptions regarding the **ability to execute our five-year CIP** when estimating project completion dates and the timing of projected cash flows
- **Integrate equity into business planning and budgeting** at the divisional level
- Strengthen the focus on **sustainability, adaptability and resiliency** in spending and business plans

2025 Key Initiatives/Budget Drivers

Category	Purpose/Outcome	2025 Requests
Implement and support Century Agenda (CA) Goals	New Engineering Staff (7.0 FTEs), Building Information Modeling (BIM) System Support Contract, & Survey Datum & Coordinate System Updates to support the Capital Improvement plan	721,349
	Clean Fuel Policy Advocacy to support the development and deployment of zero emission maritime & aviation fuels; Advance electrification, renewable fuel infrastructure and vehicle & vessel upgrades that will address scope 3 emissions	475,000
	SEA Communications & Marketing for SEA Capital programs; Strategic Communications & Outreach for Fishermen's Terminal Capital Programs; State & Federal Grantwriting Services to enhance funding for Port infrastructure, sustainability, workforce development, economic development, & environmental justice work	195,000
	<p style="text-align: right;">Subtotal</p>	1,391,349

2025 Key Initiatives/Budget Drivers

Category	Purpose/Outcome	2025 Requests
Safety & Security	Deputy Chief to oversee the newly formed Special Operations Bureau; Homeland Security Division Officers (6.0) for on-duty tactical patrols, emergency planning & training with law enforcement partners, & preparing for large events; K9 Unit Operations equipment to increase safety for employees & passengers at the airport and seaport	1,304,309
	Seaport Officer to support the Maritime Division; Body Worn Camera Specialist to assist in processing the videos & disclosure requests; Firearms Training & equipment to increase the capability of officers in critical events	497,068
	Cyber Safety & Security Tech to enhance cyber technologies & strategic resilience of Port cyber & public safety systems technology; Information Security Technology Lead to assist with strategy, design, & implementation of Information Security systems & lead cyber incident response program; IT Auditor Training for rapidly evolving IT technologies and cybersecurity threats	309,124
	Dispatch staff (2.0) to provide essential public safety services such as answering emergency & non-emergency police, fire, and medical calls at both the aviation and seaport divisions; Crime Analyst/Intel Officer to provide critical information monitoring to inform deployment decisions, alert to threats, & help enable real-time response to crime and threat	236,462
	Risk Project Coordinator to assist in Driver Safety Program, Department of Transportation (DOT) compliance, incident & claims management; Travel & Expense & Purchasing Card Audit Automation to improve efficiency, accuracy and compliance	105,031
	Subtotal	2,451,994

2025 Key Initiatives/Budget Drivers

Category	Purpose/Outcome	2025 Requests
Advance work on regional economic priorities and enhance engagement with surrounding communities	Extend the Youth Maritime Career Launch (YMCL) program to advance the Port's economic development & equity goals. YMCL will be expanded to include post-secondary technical education & more career preparation; Basic Education and Skills Training Program (I-BEST) Pilot Partnership to provide training to underserved youth	850,000
	Civil Rights Program Manager to oversee the implementation of initiatives related to Title VI; Funding for the Language Access program to provide access to services & foster a welcoming environment for all; Continued support for the South King County Community Impact Fund Multi-Cultural Liaison program, translation and interpretation services, & grass-roots nonprofit capacity building & outreach	444,794
	Sr Program Manager to support Duwamish Valley Community Equity Program including the work of the contracted Port Community Action Team & provide oversight for the DVCEP Hub & Green Jobs Program; Additional funding for the Duwamish Valley Port Community Action (PCAT)	311,265
	Subtotal	1,606,059

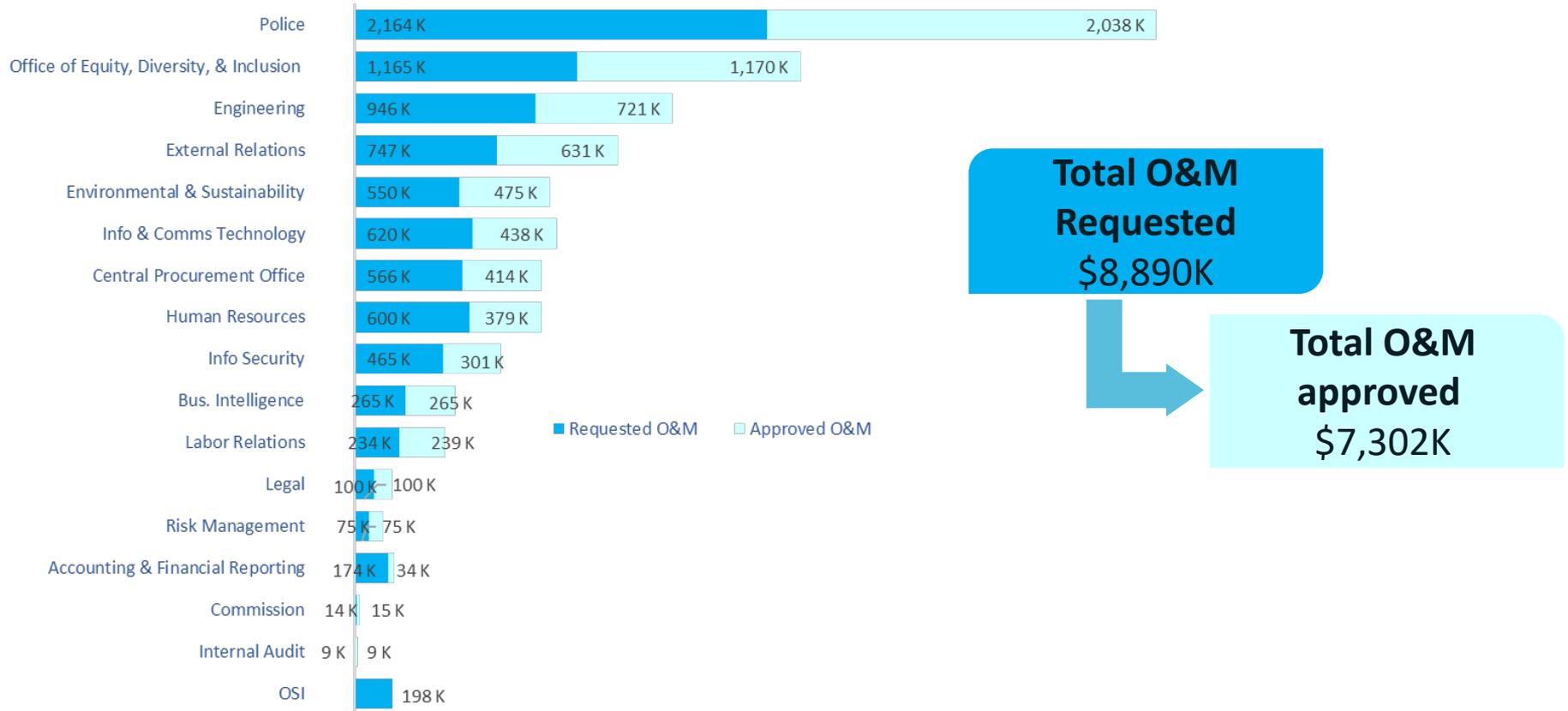
2025 Key Initiatives/Budget Drivers

Category	Purpose/Outcome	2025 Requests
Organizational Needs and Division Priorities	AI-Powered Copilot For Microsoft 365 to boost productivity & creativity; Content Solution & Communication Engineer to train, support, & implement solutions for our growing Software as a Service (SaaS) platforms; ERP Developer/Programmer II to maintain & enhance PeopleSoft systems; Machine Learning/AI Engineer to support existing AI prototypes & evaluate new ones for implementation	437,556
	Procurement Officer II (3.0) to support Aviation and Maritime environmental procurement needs, technology procurements, & capital project & SEA's art program; Procurement Workforce Analysis to determine the most efficient method to organize CPO's structure and workload management; Funding for Continuous Improvement to support the 3 year plan in Service agreements and implement assessments in other CPO groups	413,596
	Sr. Investigation Specialist to manage complex workplace responsibility processes; Continuation of Health Coverage (COBRA) third party administrator contract to meet federal requirements; HR Request/Inquiry Ticketing System for proper collection & distribution of requests, along with metrics that will provide insight on employee & customer needs; Onboarding technology for standardization of information especially in compliance with the I9 document completion & other new employee forms; HR Implementation Project Manager to oversee initiatives & coordinate resources to improve employee culture through HR programs; Additional funding for employee resource groups' initiatives to provide learning & development opportunities	378,541

2025 Key Initiatives/Budget Drivers

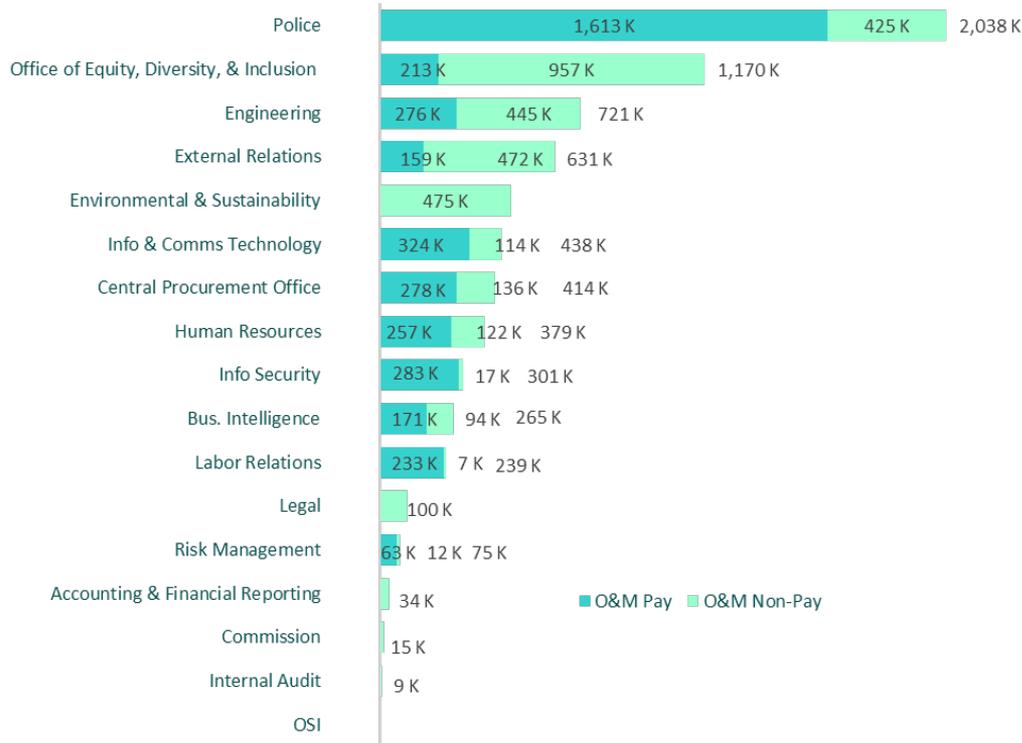
Category	Purpose/Outcome	2025 Requests
Organizational Needs and Division Priorities	Principal Business Intelligence Data Engineer to oversee the development, implementation, & maintenance of the Port's data infrastructure; Business Intelligence Strategy Plan refresh to provide actionable framework for the Port	264,867
	Assistant Director to manage labor relations program management and administration of collective bargaining agreements; Risk Management department additional travel expense that would allow staff to participate in professional development	243,316
	Electronic application and web-based platform for the production of meeting agendas and meeting packets to replace the current paper meeting packet process; Consulting Services to Implement Records Management & Retention-in-Place Tool to automate retention for more than 2000 SharePoint sites which will optimize records-related work across the enterprise	115,000
	Subtotal	1,852,876
Grand Total		7,302,277

2025 New Budget Request by Dept



Approved New Items Summary

Approved Payroll & Non-payroll by Dept



57 Items added for a total of \$7.3M (O&M):

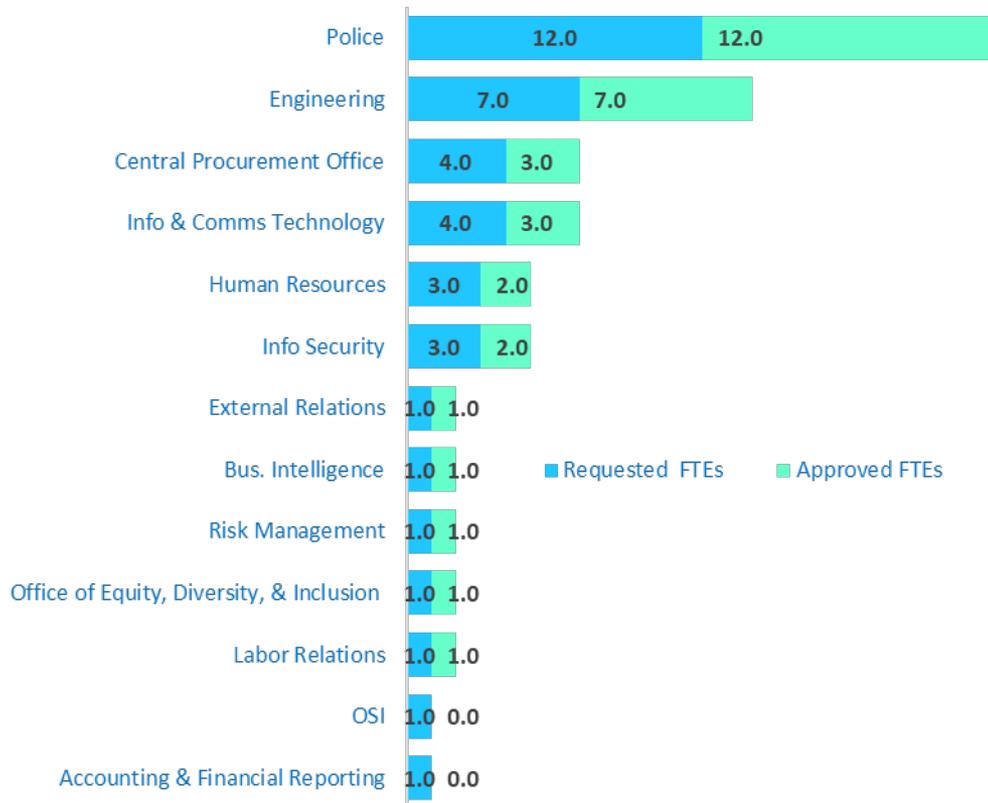
- 34.0 FTEs: \$4.2M from various departments
- \$950K: Youth Maritime Career Launch Program (OEDI)
- \$475K: Scope 3 Emissions & Clean Fuel Advocacy (Env&Sus)
- \$465K: DVCEP, SKCCIF, SEA Comms& Mktg, FT outreach, Grant writing services (External Rel)
- \$360K: Survey Datum & Coordinate System & BIM System (Eng)
- \$336K: K9 Operations & Firearms training (Police)
- \$120K: Procurement workforce analysis & Continuous Improvement (CPO)
- \$105K: Request Ticketing System, Onboarding, Leadership conference, & Employee Resource Group support (HR)
- \$100K: Copilot licenses to leverage artificial intelligence technology (ICT)
- \$100K: Records Management and Retention-in-Place Tool (Legal)
- \$75K: Strategy Plan update (Bus. Intel)
- \$34K: Travel & Expense & Purchasing Card Audit Automation (AFR)
- \$15K: Paperless Meeting Packet Application (Commission)
- \$9K: IT Auditor Training (Internal Audit)
- \$4K: Travel baseline increase (Risk Mgmt)

Approved New FTEs Summary

34.0 FTEs added for a total of \$4.2M (O&M):

- **Police (12.0 FTEs):** 6.0 Homeland Security Division, 2.0 Dispatch, Deputy Chief, Crime Analyst/Intel Officer, BWC Specialist, Seaport Officer
- **Engineering (7.0 FTE):** Sr. Construction Manager, Construction Inspector I, Construction Inspector II (2.0), Assistant Civil Engineering Technician, Engineering Standards and Specifications Administrator, Sr. Administrative Assistant
- **Central Procurement Office (3.0 FTEs):** Procurement Officer II (3.0)
- **Info & Comms Technology (3.0 FTEs):** Content Solution & Communication Engineer, ERP Developer/Programmer II, Machine Learning/AI Engineer
- **Human Resources (2.0 FTEs):** HR Implementation and Project Manager, Sr. Investigation Specialist
- **Info Security (2.0 FTEs):** Information Security Technology Lead, Cyber Safety and Security Tech Consultant
- **External Relations (1.0 FTE):** Sr. Program Manager, Duwamish Valley Engagement
- **Bus. Intelligence (1.0 FTE):** Principal Business Intelligence Data Engineer
- **Risk Management (1.0 FTE):** Risk Project Coordinator
- **Office of Equity, Diversity, & Inclusion (1.0 FTE):** Civil Rights Program Manager
- **Labor Relations (1.0 FTE):** Assistant Director

Requested vs Approved FTEs



2025 proposed Budget Summary

	2021	2022	2023	2024	2025	Inc/(Dec) from 2024	
(in \$000's)	Actuals	Actuals	Actuals	Approved Budget	Proposed Budget	Approved Budget	% Change
						\$ Change	
Total Payroll Costs (with Capital)	86,552	118,460	133,577	164,263	179,721	15,457	9.4%
Total Non-Payroll Costs (with Capital)	39,337	47,250	57,601	63,207	64,942	1,735	2.7%
Total Costs (with Capital)	125,890	165,710	191,178	227,471	244,663	17,192	7.6%
Sal/Wage-Cap/Govt/Envrs Proj	(16,737)	(16,628)	(19,886)	(25,348)	(27,432)	2,085	-8.2%
Cap/Govt/Envrs Projects OH	(6,366)	(7,172)	(8,731)	(8,634)	(6,801)	(1,832)	21.2%
OnsiteConsult-Cap/Gov/Env Proj	(6,809)	(7,018)	(10,409)	(12,523)	(15,396)	2,874	-22.9%
Total Charges to Capital	(29,912)	(30,818)	(39,027)	(46,504)	(49,630)	3,126	-6.7%
Total Payroll Expenses	69,816	101,832	113,690	138,916	152,288	13,372	9.6%
Non-Payroll O&M Expense	25,938	33,085	38,462	42,051	42,744	694	1.6%
Total O&M Expenses	95,753	134,917	152,153	180,967	195,033	14,066	7.8%

* Payroll Expenses include DRS pension credits in the 2021, 2022 and 2023 actuals.

Central Services Proposed Budget by Account

DESCRIPTION (in \$000's)	2021	2022	2023	2024	2025	Inc/(Dec) from 2024		Notes
	Actuals	Actuals	Actuals	Approved Budget	Proposed Budget	Approved Budget \$ Change	% Change	
TOTAL OPERATING REVENUE	(233)	2,538	(216)	163	183	20	12.1%	
OPERATING EXPENSE								
Salaries & Benefits	71,603	78,779	92,338	102,324	112,845	10,522	10.3%	5% pay increase and new FTEs COLA increase and new FTEs
Wages & Benefits	(1,787)	23,053	21,352	36,592	39,443	2,851	7.8%	
Payroll to Cap/Govt/Envrs Proj	16,737	16,628	19,886	25,348	27,432	2,085	8.2%	
TOTAL SALARIES & BENEFITS	86,552	118,460	133,577	164,263	179,721	15,457	9.4%	
Equipment Expense	1,627	2,982	2,400	2,688	2,568	(120)	(4.5%)	
Utilities	32	33	58	35	48	12	34.9%	
Supplies & Stock	812	992	1,551	997	906	(90)	(9.1%)	
Outside Services	29,301	31,079	39,407	45,810	47,320	1,510	3.3%	Youth Maritime Career Launch
Travel & Other Employee Exps	1,038	1,950	2,589	3,691	3,982	291	7.9%	
Promotional Expenses	222	540	1,806	1,855	850	(1,005)	(54.2%)	Seattle Aquarium payment in 2024 budget
Telecommunications	576	654	780	767	813	47	6.1%	
Property Rentals	1,055	478	598	673	678	5	0.7%	
Worker's Compensation Expense	698	642	664	730	731	1	0.1%	
General Expenses	3,977	7,899	7,816	5,961	7,045	1,084	18.2%	Increase in Insurance expense
TOTAL NON-PAYROLL EXPENSES	39,337	47,250	57,601	63,207	64,942	1,735	2.7%	
TOTAL COSTS BEFORE CAPITAL CHARGES	125,890	165,710	191,178	227,471	244,663	17,192	7.6%	
Charges to Cap/Govt/Envrs Projects	(30,136)	(30,793)	(39,025)	(46,504)	(49,630)	(3,126)	6.7%	
TOTAL OPERATING EXPENSE	95,753	134,917	152,153	180,967	195,033	14,066	7.8%	

Central Services Proposed Budget by Dept

Departments (in \$000's)	2021	2022	2023	2024	2025	Inc/(Dec) from 2024		Notes
	Actuals	Actuals	Actuals	Approved Budget	Proposed Budget	\$ Change	% Change	
O1100-Executive	2,051	2,029	3,147	3,632	2,779	(853)	(23.5%)	Seattle Aquarium payment in 2024 budget
O1200-Commission Office	1,773	2,206	2,448	3,485	3,589	104	3.0%	
O1310-Legal	7,054	8,213	10,315	6,018	6,255	237	3.9%	
O1330-Risk Services	4,047	5,078	5,756	6,877	7,744	867	12.6%	Increase in Insurance expense
O1400-External Relations	6,827	8,651	10,154	12,839	13,461	622	4.8%	
O1460-Equity, Diversity and Inclusion	4,937	4,283	5,475	7,142	7,435	293	4.1%	Youth Maritime Career Launch
O1500-Business Intelligence	904	1,395	1,609	2,178	2,543	365	16.8%	
O1600-Engineering	1,626	5,053	6,263	11,739	15,188	3,449	29.4%	
O1700-Port Construction Services	3,321	3,651	5,644	7,749	7,812	62	0.8%	
O1800-Human Resources	8,675	11,087	13,543	17,303	17,817	514	3.0%	
O1810-Labor Relations	1,110	1,085	1,292	1,621	1,933	312	19.2%	
O1900-Information & Comm. Technology	19,944	25,693	25,914	32,024	31,482	(542)	(1.7%)	
O1980-Information Security	1,328	1,571	2,040	2,886	2,968	82	2.8%	
O2100-Finance & Budget	1,801	2,279	2,602	3,336	3,179	(157)	(4.7%)	
O2200-Accounting/Financial Reporting	6,967	7,914	9,032	11,646	12,059	412	3.5%	
O2280-Internal Audit	1,296	2,406	1,944	2,224	2,267	43	1.9%	
O2400-Offic of Strategic Initiatives	713	893	1,291	1,508	1,557	49	3.3%	
O2700-Environment & Sustainability	676	763	1,137	2,192	2,544	352	16.1%	
O2900-Corporate Contingencies	(123)	(268)	(251)	(4,990)	(2,655)	2,336	(46.8%)	Assume 5% vacancy factor
O4300-Police Department	17,194	35,064	36,422	40,538	45,860	5,322	13.1%	Increase in Payroll
O9200-Central Procurement Office	3,633	5,816	6,376	9,019	9,217	198	2.2%	
TOTAL OPERATING EXPENSE	95,753	134,917	152,153	180,967	195,033	14,066	7.8%	

2025 Community Programs

Program (in \$000)	2022 Budget	2023 Budget	2024 Budget	2025 Proposed Budget	2025 Funded by the levy	% of the 2025 Budget Funded by the levy
1) Energy & Sustainability Fund	160	120	-	-	-	0.0%
2) Airport Community Ecology (ACE) Fund	135	40	40	40	40	100.0%
3) South King County Community Impact Fund (SKCCIF)	2,195	2,214	2,214	2,205	2,205	100.0%
4) Duwamish Valley Community Equity Program	387	462	471	617	617	100.0%
5) EDD Partnership Grants	1,200	850	950	950	950	100.0%
6) Tourism Marketing Support Program	1,750	1,830	1,875	2,154	1,000	46.4%
7) Airport Spotlight Ad Program*	466	466	466	1,576	1,576	100.0%
8) City of SeaTac Community Relief*	1,400	1,400	1,400	1,400	1,400	100.0%
9) Maritime Blue (formerly Maritime Innovation Center)	150	150	175	175	175	100.0%
10) Workforce Development	4,390	5,186	5,077	4,876	3,662	75.1%
a. Youth Maritime Career Launch Program (formerly OYI) ¹	1,000	1,000	900	750	750	100.0%
b. Airport Employment Center	1,096	1,517	1,517	1,517	303	20.0%
11) High School Internship Program	496	457	486	520	280	53.9%
12) Diversity in Contracting ²	1,836	2,299	2,304	2,356	310	13.2%
13) Equity, Diversity & Inclusion	1,366	1,767	2,065	2,559	226	8.8%
14) Sustainable Aviation Fuels & Air Emissions Program	200	100	-	-	-	0.0%
15) Low Carbon Fuel Standard Initiative	110	150	150	300	-	0.0%
16) Community Biz Connector (Regional Small Biz Partnerships)	150	350	380	380	380	100.0%
17) Public Market Study	-	100	-	-	-	0.0%
18) Seattle Aquarium Partnership	-	1,000	1,000	-	-	0.0%
19) Green Economy				50	50	100%
Sub Total	16,142	18,691	18,803	19,898	12,610	63%
Payroll charged to the Levy ³	483	433	589	781	781	100%
Grand Total	16,625	19,124	19,392	20,679	13,392	65%

Notes:

1 Youth Maritime Career Launch Prgm budget rolls up to Workforce Development total (item 10).

2 \$260K Small Business Accelerator under DIC is included in DIC total (Item 12) and SKCCIF (item 3).

3 2025 Payroll only for CPO & Ext. Rel. Other payroll from HS Interns, WFD, EDI are included in the individual items above.

* Non-Operating Accounts

Community Programs Funded by Tax Levy

Program (in \$000)	2023 Budget Funded by the levy	2024 Budget Funded by the levy	2025 Funded by the levy	Inc/(Dec) from 2024 Proposed Budget	
				\$ Change	% Change
1) South King County Community Impact Fund (SKCCIF)	2,214	2,214	2,205	(9)	-0.4%
2) Duwamish Valley Community Equity Program	462	471	617	147	23.8%
3) EDD Partnership Grants	850	950	950	-	N/A
4) City of SeaTac Community Relief*	1,400	1,400	1,400	-	N/A
5) Maritime Blue (formerly Maritime Innovation Center)	150	175	175	-	N/A
6) Workforce Development	3,785	3,863	3,662	(202)	-5.5%
a. Youth Career Launch Program (formerly OYI) ¹	1,000	900	750	(150)	-20.0%
b. Airport Employment Center	303	303	303	-	N/A
7) High School Internship Program	252	259	280	20	7.3%
8) Diversity in Contracting ²	300	300	310	10	3.2%
a. Small Bus. Accelerator under SKCCIF ²	250	250	260	10	3.8%
b. DBE/ACDBE/WMBE Training Consultants & Outreach	50	50	50	-	N/A
9) Equity, Diversity & Inclusion	138	203	226	23	10.0%
10) Community Biz Connector (Regional Small Biz Partnerships)	350	380	380	-	N/A
11) Seattle Aquarium Partnership	1,000	1,000	-	(1,000)	N/A
12) Other	1,108	806	2,666	1,860	69.8%
Total	11,760	11,772	12,610	839	6.7%
Payroll charged to the Levy ³	433	580	781	201	25.7%
Grand Total	12,193	12,352	13,392	1,039	7.8%

Notes:

1 Youth Career Launch Program budget rolls up to Workforce Development total (item 10).

2 \$260K Small Business Accelerator under DIC is included in DIC total (Item 12) and SKCCIF (item 3).

* Non-Operating Accounts

2024 One-Time Items

Org	Dept	Description *	Amount
1100	Exec	Seattle Aquarium Payment	1,500,000
1420	ER	Airport Anniversary Book Printing and Promotion	37,500
1420	ER	New Computer and Phone for Program Specialist	3,500
1420	ER	SKCF Multi-Cultural Community Capacity Building Liaison	144,000
1420	ER	State and Federal Grant Consultation IDIQ (Schinfeld/Parks)	50,000
1420	ER	Strategic Communications and Outreach for Fishermen's Terminal Capital Programs	50,000
		Subtotal	285,000
1510	BI	Alteryx Enablement Hours	36,000
1605	ENG	Construction Partnering Program	30,000
1850	HR	New Hire Ergo Chair	2,000
1853	HR	ERG Pool Funds	20,000
1855	HR	Leadership Conference	45,000
1980	Info Sec	Governance, Risk, & Compliance (GRC) Solution	150,000
2100	F&B	Economic Impact Study	262,000
2210	AFR	Computers and iPhones	13,000
2280	IA	Outside Temp Services	40,000
2350	WFD	Youth Maritime Career Launch	900,000
2710	ENV	Scope 3 Emissions: AV/Maritime Ground Transportation	250,000
4300	Police	Compute/Phones/Supplies/Training for New FTEs	8,100
4300	Police	End user training for the new CAD RMS system	40,000
		Subtotal	48,100
		Grand Total	3,581,100

2024 Mid-Year Approvals Summary

Dept	Position Title	Salary/ Benefits	Non-Pay expenses	Total Cost	Charge to Capital	Total O&M Expense
FTE Approvals Summary						
External Relations	Intl Protocol Spec	146,699	0	146,699	0	146,699
	Total (Payroll)	146,699	0	146,699	0	146,699
	TOTAL					146,699

2025 Contractual Increases Summary

Dept	Account	Amount	Description
Risk	Insurance Expense	831,715	Increase in Liability & Property Insurance Premium
ICT	Software Lics & Maint. Agreemt	565,263	
ICT	Contract Other Equip Maint	376,680	
	Total	<u>1,773,658</u>	
Less:	Police/ENG/PCS	-	
	Core Central Services	<u>1,773,658</u>	

2025 Other Budget Adjustments

Dept	Account	Amount	Description
Engineering	On-site Consultants	3,907,455	Increase due to projects. Will mostly be offset to Capital
Engineering	On-site Consultants	(2,873,526)	Offset by the increase of Charges to OnsiteConsult-Cap/Gov/Env Proj
F&B	Economic Impact Study	38,000	Remaining payment in 2025
PCS	Small Works Construction Svcs	(339,000)	
Central Svcs	Contra SBITA Expense	(3,923,245)	GASB 96
	Total	<u>(3,190,316)</u>	
	Less: Engineering - Net	1,033,929	
	Less: PCS	(339,000)	
	Less: Police	-	
	Core Central Services	<u>(3,885,245)</u>	

Selected Major Budget Additions

Police: Public Safety- \$1.7M additional staffing costs to support **Homeland Security Division Emergency Services Unit, 911 Communications Center, and Police administrative needs**; \$219K for **firearms training operations**; \$117K for **K9 Unit Operations**

OEDI: Commission Priorities & Operational- \$750K investment in **Youth Maritime Career Launch Program**; \$220K for **Civil Rights Program Manager**; \$100K for **Language Access Program**; \$100K for **I-BEST Pilot Development/Partnership**

Engineering: Capital Program- \$721K additional staff to support **growing capital program**

External Relations: Commission Priorities & Operational- \$311K to support the **Duwamish Valley Community Equity Program**; \$125K to support the **South King County Community Impact Fund Community Capacity Building**; \$100K to support **SEA Communications and Marketing**; \$50K for **State and Federal Grant writing**; \$45K for **Fishermen's Terminal Capital Programs outreach**

Environmental & Sustainability: Century Agenda goal- \$175K to **reduce GHG emissions**; \$300K to advance state and federal policies that **support the development and deployment of zero emission maritime and aviation fuels**

ICT/Information Security: Operational- \$188K to support the development and implementation of **Machine Learning and Artificial Intelligence**; \$249K additional staff to support our growing **Software as a Service (Saas)** platforms and **PeopleSoft systems**

CPO: Operational/Workforce- \$293K to support growing **procurement needs** of the organization; \$120K for a **procurement workforce analysis** and to support **continuous improvement**

HR: Operational/Workforce- \$274 for additional staff to coordinate **process improvement** efforts; \$70K for **Inquiry Ticketing System** and **Onboarding System**; \$35K for **Portwide Leadership Conference** and support for **Employee resource groups**

Info Security: Security- \$176K Information Security Technology Lead to assist with **strategy, design, and implementation** of Information Security systems; \$125K for Cyber Safety and Security Tech Consultant to **enhance cyber technologies** and **strategic resilience** of Port cyber and public safety systems technology

Equity Spending Criteria

If an investment meets one of the definitions, then it must also meet at least one of the key criteria:

- A. Advances diversity for the Port.
- B. Removes systemic barriers for BIPOC or structurally excluded communities to participate in the Port.
- C. Programs and funding that were developed through direct engagement with communities, and/or communities been consulted in design of the program.
- D. Has a demonstrable impact in quality of life for BIPOC or structurally excluded communities.
- E. Was intentionally designed to have a positive impact in BIPOC or structurally excluded communities .
- F. Achieves our environmental justice goals and removes barriers for BIPOC or structurally excluded communities to live and enjoy a healthy environment.

Equity Spending Definition

The Port of Seattle defines *equity spending* as Port investments that:

- 1) Invest directly in targeted communities, either through grants, contracts, programs, sponsorships, or dedicated facilities; OR
- 2) Invests in businesses and individuals outside the Port to help us realize our internal and external equity priorities; OR
- 3) Invests in Port staff whose essential work functions were designed to primarily focused on advancing equity work.