

# City Budget Office

Dan Eder, Interim Director

(206) 615-1962

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

## Department Overview

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

## Budget Snapshot

|                              | 2023<br>Actuals  | 2024<br>Adopted  | 2025<br>Proposed | 2026<br>Proposed  |
|------------------------------|------------------|------------------|------------------|-------------------|
| <b>Department Support</b>    |                  |                  |                  |                   |
| General Fund Support         | 7,921,959        | 8,782,621        | 9,882,164        | 10,240,194        |
| Other Funding - Operating    | 1,278,404        | 176,490          | -                | -                 |
| <b>Total Operations</b>      | <b>9,200,362</b> | <b>8,959,111</b> | <b>9,882,164</b> | <b>10,240,194</b> |
| <b>Total Appropriations</b>  | <b>9,200,362</b> | <b>8,959,111</b> | <b>9,882,164</b> | <b>10,240,194</b> |
| Full-Time Equivalents Total* | 45.00            | 45.00            | 44.00            | 44.00             |

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

## Budget Overview

The 2025-2026 Proposed Budget maintains core services for the City Budget Office. The department will continue to invest in programs such as developing and monitoring the City's \$8 billion annual budget, forecasting special revenues and supporting innovative data and analysis across the City departments.

The General Fund revenue forecast for the City's 2025-2026 Proposed Budget is insufficient to cover all anticipated Citywide costs. General Fund reductions were identified to mitigate this shortfall by increasing the City Budget Office vacancy rate assumption. In addition to technical adjustments to reflect central changes, the proposed budget includes one-time funding for both an emergency management assessment and a payroll tax evaluation in 2025.

## City Budget Office

### Incremental Budget Changes

#### City Budget Office

|                                                                | Dollars            | FTE           |
|----------------------------------------------------------------|--------------------|---------------|
| <b>2024 Adopted Budget</b>                                     | <b>8,959,111</b>   | <b>45.00</b>  |
| <b>Baseline</b>                                                |                    |               |
| Bargained Annual Wage and Market Wage Increases to Base Budget | 945,165            | -             |
| Citywide Adjustments for Standard Cost Changes                 | 169,715            | -             |
| <b>Proposed Operating</b>                                      |                    |               |
| Conduct Emergency Management Assessment                        | 30,000             | -             |
| Payroll Expense Tax Evaluation                                 | 100,000            | -             |
| Transfer Position to ITD for Affordable Seattle Program        | (202,507)          | (1.00)        |
| Vacancy Rate Increase                                          | (59,247)           | -             |
| <b>Proposed Technical</b>                                      |                    |               |
| Final Adjustments for Standard Cost Changes                    | (60,073)           | -             |
| Ongoing Changes from Current Year Legislation                  | -                  | -             |
| <b>Total Incremental Changes</b>                               | <b>\$923,054</b>   | <b>(1.00)</b> |
| <b>Total 2025 Proposed Budget</b>                              | <b>\$9,882,164</b> | <b>44.00</b>  |

### Description of Incremental Budget Changes

#### Baseline

##### **Bargained Annual Wage and Market Wage Increases to Base Budget**

Expenditures \$945,165

This centrally administered change adjusts appropriations to reflect the Annual Wage Increases and Market Adjustments, as outlined in the agreements between the City and the Coalition of Unions or other standalone Unions, for personnel costs included in this department’s baseline budget. This includes increases to salary, FICA, Medicare, retirement, overtime and temporary labor.

##### **Citywide Adjustments for Standard Cost Changes**

Expenditures \$169,715

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

# City Budget Office

## Proposed Operating

### **Conduct Emergency Management Assessment**

Expenditures \$30,000

As part of preparing the City for all types of emergencies, the 2025-2026 Proposed Budget includes \$30,000 in one-time funding in the City Budget Office to conduct a review of other emergency management offices. This review will evaluate the Office of Emergency Management's funding, multijurisdictional framework, and organizational structure in comparison to peer cities, specifically those on the West Coast, as well as to nationwide best practices.

### **Payroll Expense Tax Evaluation**

Expenditures \$100,000

The proposed budget allocates \$10 million to support the administration of the Payroll Expense Tax and the evaluation of the programs it funds. Administrative expenses are budgeted in the General Fund and are supported by a transfer from the Payroll Tax Fund to Finance General. In lieu of a Payroll Tax Oversight Committee (Chapter 3.35), the City will hire a consultant to provide an evaluation of: 1) the services and programs supported by the Payroll Expense Tax (Chapter 5.38); 2) the Payroll Expense Tax impacts on the number of jobs and businesses in the City; and 3) other data that directly relates to measuring the impact of the tax on the City's economy. In addition to pulling administrative data to evaluate services and programs, the consultant will engage with existing oversight bodies that monitor programs and services supported by the tax such as the Small Business Advisory Council, KCRHA's Implementation or Governing Boards, Housing Levy Oversight Committee, Equitable Development Initiative Advisory Board, and the Green New Deal Oversight Board.

### **Transfer Position to ITD for Affordable Seattle Program**

Expenditures \$(202,507)

Position Allocation (1.00)

This item transfers 1.0 FTE from the City Budget Office to the Department of Information Technology (ITD) in order to support the Affordable Seattle Program. The item transfers \$202,507 in 2025 and \$213,155 in 2026 from CBO to ITD to support an existing payroll tax-funded position and consolidate the program administration in ITD. Affordable Seattle is a city supported program that makes it easier for residents to sign up for benefits ranging from discounts on their utility payments to two years of free college through the Mayor's Seattle Promise College Tuition Program. The program was launched with federal COVID response funds to support economic revitalization and better connect residents to support services, and the program is now sustained with payroll tax resources.

### **Vacancy Rate Increase**

Expenditures \$(59,247)

The General Fund revenue forecast for the City's 2025-2026 Proposed Budget is insufficient to cover all expected Citywide costs. General Fund reductions were identified to mitigate this shortfall in revenues. This ongoing change increases the City Budget Office's vacancy rate assumption by 1%, which reduces its General Fund budget by \$59,247 to fund other General Fund core services. This change may result in the department holding vacancies open longer before refilling positions but will not impact the department's capacity to deliver core services.

## Proposed Technical

### **Final Adjustments for Standard Cost Changes**

Expenditures \$(60,073)

Citywide technical adjustments made in the proposed phase reflect changes to internal services costs, including rates from the Department of Finance & Administrative Services, Seattle Information Technology Department, Seattle Department of Human Resources, and for healthcare for the department. These adjustments reflect final decisions about these costs made during the Proposed Phase of the budget process.

## City Budget Office

### Expenditure Overview

|                                                | 2023<br>Actuals  | 2024<br>Adopted  | 2025<br>Proposed | 2026<br>Proposed  |
|------------------------------------------------|------------------|------------------|------------------|-------------------|
| <b>Appropriations</b>                          |                  |                  |                  |                   |
| <b>CBO - BO-CB-CZ000 - City Budget Office</b>  |                  |                  |                  |                   |
| 00100 - General Fund                           | 7,921,959        | 8,782,621        | 9,882,164        | 10,240,194        |
| 14000 - Coronavirus Local Fiscal Recovery Fund | 1,278,404        | -                | -                | -                 |
| 14500 - Payroll Expense Tax                    | -                | 176,490          | -                | -                 |
| <b>Total for BSL: BO-CB-CZ000</b>              | <b>9,200,362</b> | <b>8,959,111</b> | <b>9,882,164</b> | <b>10,240,194</b> |
| <b>Department Total</b>                        | <b>9,200,362</b> | <b>8,959,111</b> | <b>9,882,164</b> | <b>10,240,194</b> |
| <b>Department Full-Time Equivalents Total*</b> | <b>45.00</b>     | <b>45.00</b>     | <b>44.00</b>     | <b>44.00</b>      |

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

### Budget Summary by Fund City Budget Office

|                                                | 2023<br>Actuals  | 2024<br>Adopted  | 2025<br>Proposed | 2026<br>Proposed  |
|------------------------------------------------|------------------|------------------|------------------|-------------------|
| 00100 - General Fund                           | 7,921,959        | 8,782,621        | 9,882,164        | 10,240,194        |
| 14000 - Coronavirus Local Fiscal Recovery Fund | 1,278,404        | -                | -                | -                 |
| 14500 - Payroll Expense Tax                    | -                | 176,490          | -                | -                 |
| <b>Budget Totals for CBO</b>                   | <b>9,200,362</b> | <b>8,959,111</b> | <b>9,882,164</b> | <b>10,240,194</b> |

### Revenue Overview

#### 2025 Estimated Revenues

| Account Code                                                              | Account Name                  | 2023<br>Actuals  | 2024<br>Adopted  | 2025<br>Proposed | 2026<br>Proposed |
|---------------------------------------------------------------------------|-------------------------------|------------------|------------------|------------------|------------------|
| 341300                                                                    | Administrative Fees & Charges | 204,485          | -                | -                | -                |
| 341900                                                                    | General Government-Other Rev  | 2,025,054        | 2,077,063        | 2,093,721        | 2,182,787        |
| 360020                                                                    | Inv Earn-Residual Cash        | 360              | -                | -                | -                |
| 367010                                                                    | Private Grants & Contr        | 137,355          | -                | -                | -                |
| <b>Total Revenues for: 00100 - General Fund</b>                           |                               | <b>2,367,255</b> | <b>2,077,063</b> | <b>2,093,721</b> | <b>2,182,787</b> |
| 331110                                                                    | Direct Fed Grants             | 1,278,404        | -                | -                | -                |
| <b>Total Revenues for: 14000 - Coronavirus Local Fiscal Recovery Fund</b> |                               | <b>1,278,404</b> | <b>-</b>         | <b>-</b>         | <b>-</b>         |
| <b>Total CBO Resources</b>                                                |                               | <b>3,645,658</b> | <b>2,077,063</b> | <b>2,093,721</b> | <b>2,182,787</b> |

# City Budget Office

## Appropriations by Budget Summary Level and Program

### **CBO - BO-CB-CZ000 - City Budget Office**

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

| <b>Program Expenditures</b>  | <b>2023<br/>Actuals</b> | <b>2024<br/>Adopted</b> | <b>2025<br/>Proposed</b> | <b>2026<br/>Proposed</b> |
|------------------------------|-------------------------|-------------------------|--------------------------|--------------------------|
| City Budget Office           | 9,200,362               | 8,959,111               | 9,882,164                | 10,240,194               |
| <b>Total</b>                 | <b>9,200,362</b>        | <b>8,959,111</b>        | <b>9,882,164</b>         | <b>10,240,194</b>        |
| Full-time Equivalents Total* | 45.00                   | 45.00                   | 44.00                    | 44.00                    |

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