

# Finance General

Dan Eder, Interim Director

(206) 615-1962

[www.seattle.gov/city-budget-office/](http://www.seattle.gov/city-budget-office/)

## Department Overview

Finance General is controlled by the City Budget Office and provides a mechanism for allocating General Fund and other central resources to reserve and bond redemption funds, City departments, and certain programs where the City Council, Mayor, or City Budget Office need additional oversight.

## Budget Snapshot

	2023 Actuals	2024 Adopted	2025 Adopted	2026 Endorsed
<b>Department Support</b>				
General Fund Support	218,637,416	228,289,672	242,793,252	228,793,413
Other Funding - Operating	111,615,215	113,736,233	345,407,236	308,310,964
<b>Total Operations</b>	<b>330,252,631</b>	<b>342,025,905</b>	<b>588,200,488</b>	<b>537,104,377</b>
<b>Total Appropriations</b>	<b>330,252,631</b>	<b>342,025,905</b>	<b>588,200,488</b>	<b>537,104,377</b>

## Budget Overview

Finance General serves as a central repository for ongoing City costs; including General Fund contributions to the operations of City departments, debt service payments made from centrally-managed funds and contributions to outside organizations. It also provides a mechanism to hold appropriations temporarily until the City determines the appropriate managing department; to execute complex transfers of funds; to act as a contingency reserve to respond to unpredictable situations; and, to cover costs that vary with economic conditions.

Finance General is the mechanism to transfer General Fund resources to the following departments:

- Seattle Public Library;
- Office of Labor Standards;
- Police Pension;
- Fire Pension;
- Finance and Administrative Services; and
- Information Technology.

### City Council Changes to the Proposed Budget.

The City Council made minor adjustments to Finance General during their deliberations. They include adjusting General Fund contributions to stabilization accounts and Payroll Expense Tax contributions to the General Fund for revenue updates, increasing General Fund contributions to the Seattle Public Library, Office of Labor Standards, and Seattle Information Technology for Council priority items added in the budget, and the creation of a new reserve for capital contributions in support of the Seattle Chinese Garden's master plan. Further details about these changes can be found in the Incremental Changes section under Council.

# Finance General

## Incremental Budget Changes

### Finance General

	Dollars	FTE
<b>2024 Adopted Budget</b>	<b>342,025,905</b>	-
<b>Baseline</b>		
Removal of One-Time Items	(10,493,980)	-
Finance General Project and Org Budget Clean-up	1,856	-
Align Baseline Contributions to Stabilization Funds to Financial Plans	(2,976,596)	-
Align Payroll Expense Tax Transfers for Baseline Assumptions	(85,253,126)	-
Bargained Annual Wage and Market Wage Increases to Base Budget	7,325,159	-
Baseline Alignment of Utility Reserves	820,000	-
Reduce Fleet Vendor Maintenance Reserve	(1,300,000)	-
Citywide Adjustments for Standard Cost Changes	594,707	-
<b>Proposed Operating</b>		
Align General Fund Contribution for Seattle Public Library and Office of Labor Standards	(2,019,233)	-
Align Payroll Expense Tax Contribution to General Fund for Administrative Costs	2,543,317	-
Continue Community Roots Loan Payment Forgiveness	333,333	-
Create 2026 World Cup Planning and Operations Reserve	2,000,000	-
Create Enhanced Public Safety Streetlight Reserve	1,000,000	-
Create Sound Transit 3 Staffing Reserve	5,219,974	-
Gambling Tax - Fully Exempt Non-Profit Raffles and Bingo Games	-	-
Final Alignment of Street Lighting Reserves	300,000	-
Increase 2026 Elections Reserve for Implementation of Ranked Choice Voting	-	-
Increase Appropriation for Citywide Insurance Costs	3,700,000	-
Increase Election Reserve for Social Housing I-137 Election Cost	1,500,000	-
Increase Judgment and Claims General Fund Contribution	14,100,000	-
Increase Puget Sound Clean Air Agency Reserve	56,000	-
Increase Reserve for Tax Rebate Interest	775,000	-
Payroll Expense Tax Contribution to General Fund	287,000,000	-
Reduce High Barrier Working Group Reserve	(400,000)	-
Reduce Reserve for City Hall Security	(490,000)	-
Shift Gambling Tax from Quarterly to Annual Filing	-	-
Transfer Funding from Trial Court Improvement Account Reserve to Seattle Municipal Court	(104,222)	-
<b>Proposed Technical</b>		
Align Arena Payment Reserve with August Revenue Forecast	1,082,000	-
Align General Fund Contribution for Fire and Police Pension Departments	(1,585,518)	-

## Finance General

Align Debt Service Appropriations with 2025 and 2026 Assumptions	(177,578)	-
Final Alignment of Emergency Fund and Revenue Stabilization Fund Contributions	407,443	-
Final Adjustments for Standard Cost Changes	536,378	-
Fund Balancing Entries	-	-
<b>Council</b>		
Create Reserve for Seattle Chinese Garden Master Plan Capital Improvements	2,500,000	-
Increase Payroll Expense Tax Contributions to the General Fund	17,610,530	-
Increase General Fund to Seattle Public Library for Library Materials	30,000	-
Recognize October 2024 Revenue Forecast Update	-	-
Update Contributions to Revenue Stabilization Funds for October Forecast	(1,275,044)	-
Restoring Reductions to the Seattle Channel	1,701,206	-
Restoring Limited Position Reductions for Six Months	1,012,977	-
Increase General Fund to Office of Labor Standards for the Business Outreach and Education Fund and Community Outreach and Education Fund	100,000	-
Fund Balancing Adjustments - Adopted	-	-
<b>Total Incremental Changes</b>	<b>\$246,174,583</b>	<b>-</b>
<b>Total 2025 Adopted Budget</b>	<b>\$588,200,488</b>	<b>-</b>

## Description of Incremental Budget Changes

### Baseline

#### Removal of One-Time Items

Expenditures \$(10,493,980)

This technical modification removes one-time revenues, expenditures and fund balancing entries from the 2025-2026 baseline budget for Finance General.

#### Finance General Project and Org Budget Clean-up

Expenditures \$1,856

This item changes budgetary data in the City's Questica budget development system to align with how expenditures occur in the accounting system. Recurring reserves were rounded to the nearest thousand resulting in minor changes to the budget overall.

#### Align Baseline Contributions to Stabilization Funds to Financial Plans

Expenditures \$(2,976,596)

Revenues \$(2,976,596)

The Council altered this proposal in the adopted budget by updating contributions in line with revenue updates in October 2024. Refer to the Council Changes section below. The proposed budget description follows:

This adjustment aligns the 2025 and 2026 General Fund contribution to the Revenue Stabilization Fund and Emergency Fund to the financial plans for each fund during the baseline budget phase.

## Finance General

### Align Payroll Expense Tax Transfers for Baseline Assumptions

Expenditures	\$(85,253,126)
Revenues	\$(85,253,126)

This item adjusts the Payroll Expense Tax (PET) transfer to General Fund and to the Sweetened Beverage Tax Fund to a baseline assumption in advance of proposed budget planning leaving only a baseline amount for ongoing administrative costs. The final PET transfer has been included in Operating changes for Finance General.

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

Expenditures	\$7,325,159
--------------	-------------

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. This increase supports cash transfers to the Seattle Public Library, Office of Labor Standards, Police and Fire Pension Funds to support their increased needs.

### Baseline Alignment of Utility Reserves

Expenditures	\$820,000
--------------	-----------

This item increases budget authority to pay General Fund costs related to increases in street lighting and fire hydrant costs in 2025 and 2026. This change reflects early estimates during the baseline budget process.

### Reduce Fleet Vendor Maintenance Reserve

Expenditures	\$(1,300,000)
--------------	---------------

This item reduces the General Fund reserve related to fleet vendor maintenance costs in 2025 and 2026. The amount held in Finance General reserve is for unanticipated costs to the General Fund as a result of higher expected costs. FAS has adjusted the expected forecast of these costs as well as the proportion that should be attributed to the General Fund. The remaining reserve for these costs is \$500,000 in both 2025 and 2026.

### Citywide Adjustments for Standard Cost Changes

Expenditures	\$594,707
--------------	-----------

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. The amount in Finance General also includes appropriations in the General Fund to transfer resources to City departments that do not spend funds directly out of the General Fund.

## Proposed Operating

### Align General Fund Contribution for Seattle Public Library and Office of Labor Standards

Expenditures	\$(2,019,233)
--------------	---------------

The Council altered this proposal in the adopted budget as they added additional General Fund contributions to the Seattle Public Library and Office of Labor Standards. Refer to the Council Changes section below for updated information. The proposed budget description follows:

## Finance General

This item adjusts General Fund contributions to the Seattle Public Library Fund and Office of Labor Standards Fund to account for budgetary decisions made during the Proposed Budget process. It includes reductions for budgetary changes as well as adjustment to account for use of fund balance or other revenues to these funds. The total General Fund contribution to the Office of Labor Standards Fund is \$7.3 million in 2025 and \$8.2 million in 2026. The total General Fund contribution to the Seattle Public Library Fund is \$64.4 million in 2025 and \$71.5 million in 2026.

### **Align Payroll Expense Tax Contribution to General Fund for Administrative Costs**

Expenditures	\$2,543,317
Revenues	\$2,543,317

This item increases the Payroll Expense Tax contribution to the General Fund for administrative costs related to the fund and for the evaluation of programs funded by Payroll Expense Tax proceeds. As part of this increase, approximately \$775,000 of the contribution will support an increase to the Tax Rebate Interest Reserve in Finance General. See related change Increase Reserve for Tax Rebate Interest. This increase also provides resources to the General Fund for an anticipated PET evaluation and overall administration of the tax across direct service and central service departments. The 2025 Adopted and 2026 Endorsed budgets increase the total amount of Payroll Tax for administration and evaluation from approximately \$7 million to \$9.6 million.

### **Continue Community Roots Loan Payment Forgiveness**

Expenditures	\$333,333
--------------	-----------

This item continues the \$333,000 Payroll Expense Tax (PET) Fund transfer to General Fund to support the forgiveness of the General Fund loan provided to Community Roots Housing (CRH) for 2025 and 2026. In 2020, the City provided a \$1 million GF supported, three-year loan to CRH to help mitigate the financial impacts of the COVID-19 pandemic. In 2024, the City forgave the first year's repayment and used PET funding to backfill revenue to the General Fund. The adopted budget forgives the remaining loan payments in 2025 and 2026 and backfills the General Fund with PET revenue.

### **Create 2026 World Cup Planning and Operations Reserve**

Expenditures	\$2,000,000
--------------	-------------

In 2026, Seattle will host several World Cup matches. The City of Seattle is working with the local organizing committee on the reimbursement of costs incurred by the City to prepare for and provide support during the matches. This item creates a reserve using Payroll Expense Tax proceeds for economic development to cover any costs that are not fully reimbursed or deemed ineligible for reimbursement.

### **Create Enhanced Public Safety Streetlight Reserve**

Expenditures	\$1,000,000
--------------	-------------

This item provides \$1,000,000 annually to install new streetlights in areas experiencing high crime rates to enhance public safety.

### **Create Sound Transit 3 Staffing Reserve**

Expenditures	\$5,219,974
--------------	-------------

This adjustment creates Payroll Expense Tax-Green New Deal (PET-GND) and Seattle Transportation Benefit District (STBD) reserves in Finance General for projected staffing costs associated with Sound Transit 3 (ST3) implementation in 2025 and 2026, demonstrating the City's partnership and commitment to Sound Transit. This funding is being held in reserve pending finalization of a staffing plan. Total funding is \$5.2 million in 2025 and \$6.8 million in 2026. The STBD funding is \$3.78 million in 2025 and \$5.2 million in 2026 and one-time for the biennium. It will come from sales tax contributions from the Seattle Transit Measure. The PET-GND funding is \$1.4 million in 2025 and \$1.6 million in

## Finance General

2026 and is ongoing. Currently, 28 staff across multiple departments dedicate all or part of their time to the ST3 program. This reserve would fund approximately 51 additional staff in multiple departments to support on schedule delivery of ST3 projects while ensuring compliance with relevant statutes and codes and upholding the 2018 Partnering Agreement. Sound Transit 3 is the largest infrastructure program in Seattle's history. Its high-capacity transit investments, including the mega-projects of West Seattle Link Extension (WSLE) and Ballard Link Extension (BLE), will occur over the next four years as projects move from planning phases to final design, permitting, and construction. The City team will oversee and support project delivery.

### Gambling Tax - Fully Exempt Non-Profit Raffles and Bingo Games

Revenues \$(100,000)

This item reduces gambling tax revenues by \$100,000 because of eliminating the 5% tax on 50/50 raffles and bingo games operated by non-profits.

### Final Alignment of Street Lighting Reserves

Expenditures \$300,000

Finance General holds a General Fund reserve to pay for general City streetlights. While this item was adjusted during the baseline phase, additional appropriation is required to align to final Seattle City Light rate and billing estimations. The 2025 and 2026 cost increases are mainly due to overall increases in the maintenance and capital replacement costs of streetlights. The total streetlight support is estimated to be \$15.5 million in 2025 and \$16.7 million in 2026.

### Increase 2026 Elections Reserve for Implementation of Ranked Choice Voting

Expenditures -

In November 2022, Seattle voters approved a ballot measure to use Ranked Choice Voting (RCV) in Primary Elections for City of Seattle offices, including the Mayor, City Attorney, and City Council. The August 2027 Primary will be the first election using RCV. King County has notified the City of necessary implementation and ongoing election costs associated with this change. This adjustment creates a \$1.2 million reserve in 2026 for anticipated King County costs related to implementing ranked choice voting which are paid by Finance General. In 2027, this funding will be used to pay for increase election costs associated with RCV.

### Increase Appropriation for Citywide Insurance Costs

Expenditures \$3,700,000

Finance General holds the reserve used to pay Citywide insurance premiums. Premiums have trended higher in recent years, driven by volatility in the excess liability insurance market. Accordingly, further growth is built into the budget for 2025 and 2026, which totals \$19 million and \$22 million, respectively.

### Increase Election Reserve for Social Housing I-137 Election Cost

Expenditures \$1,500,000

This item increases the City's election costs reserve in anticipation of a special election in early 2025 related to Social Housing I-137. The estimated cost of this election is higher than August primary and November general election costs due to the limited number of government agencies who participate, reducing the spread of election costs among affected jurisdictions.

# Finance General

## Increase Judgment and Claims General Fund Contribution

Expenditures \$14,100,000

Per Resolution 31847, budget appropriation for the Judgment and Claims Fund must be set at the 90% confidence level of meeting actual expenditures as estimated by the City's actuaries every year. This item adds a one-time appropriation of \$14,100,000 to Judgment and Claims to achieve the 90% confidence level for 2025. Recent actuarial estimates have been driven to a new high by the extraordinary and growing expenses the fund has incurred since 2021 but are expected to moderate in the next few years.

## Increase Puget Sound Clean Air Agency Reserve

Expenditures \$56,000

This item increases the reserve for the City's Puget Sound Clean Air Agency annual assessment. The City is billed annually for a "supplemental income" assessment as per RCW 70A.15.1590 for air quality management in our region. The City's portion of the supplemental income is based on a formula using population and assessed valuation of taxable property, as defined by the Washington State Clean Air Act (RCW 70A.15.1600) and is paid by the General Fund. The estimated assessment is \$877,000 in 2025 and \$927,000 in 2026.

## Increase Reserve for Tax Rebate Interest

Expenditures \$775,000

The City of Seattle as a tax collector has an obligation to provide interest on tax refunds due to overpayment and/or audit findings. The use of this reserve has steadily increased as the City has implemented new taxes with complex payment requirements. A portion of this growth is directly attributable to the implementation of the Payroll Expense Tax. In 2025 and 2026, the reserve for these payments is being increased by \$775,000 per year backed by increased contributions from the Payroll Expense Tax (PET) to the General Fund. During this time, CBO will monitor actual refunds by tax type to determine the proportional share between the General Fund and PET.

## Payroll Expense Tax Contribution to General Fund

Expenditures \$287,000,000

Revenues \$287,000,000

The Council altered this proposal in the adopted budget to update amounts based on revenue forecasts provided in October 2024. Refer to the Council Changes section below. The proposed budget description follows:

The City's 2025-2026 Proposed Budget appropriates approximately \$233 million in 2025 and \$239 million in 2026 in Payroll Expense Tax (PET) proceeds to departments. This item transfers PET revenue above department programmed expenses to the General Fund to support general operating expenses. In 2025, the total transfer is \$287 million which includes \$85 million in one-time 2023 fund balance and \$202 million for expected 2025 revenue collections above programming. The expected PET transfer is \$223 million in 2026.

## Reduce High Barrier Working Group Reserve

Expenditures \$(400,000)

In 2019, then Mayor Jenny Durkan convened the High Barrier Individuals Working Group, an interagency group including King County, in response to heightened community conversations around public safety and individuals repeatedly caught in a cycle of criminal justice, social services and community incidents. The group developed four new pilot programs to address these issues including the 'West Wing' proposal. The proposal appropriated \$2 million capital (REET unrestricted) and \$400K in on-going operating costs in 2020 in Finance General for a comprehensive place-based treatment center at the King County Jail. The project has been repeatedly delayed due to COVID and the current use of the West Wing space as a shelter run by DESC. The shelter was to move to SODO,

## Finance General

but that large scale project was rejected by the CID. The King County Budget Office does not have any assumptions in the 2025 proposed budget related to this project. The City General Fund reserve is being reduced to redirect resources to other priorities. The \$2 million REET reserve was lapsed at the end of 2023 and returned to fund balance.

### **Reduce Reserve for City Hall Security**

Expenditures \$(490,000)

Finance General was holding an annual reserve for implementation and operational costs as a result of City Hall security upgrades. After an investigation of ongoing needs, evaluation of required capital improvements, and existing budget, the Department of Finance and Administration (FAS) determined that it could make required changes within existing budget authority. This appropriation was from the FAS Fund - 50300.

### **Shift Gambling Tax from Quarterly to Annual Filing**

Revenues \$(325,000)

This item captures the reduction of tax revenue of \$325,000 in 2025 resulting from a shift from quarterly to annual filing for gambling taxes. This administrative change is under the authority of the City Finance Director and will result in reduced manual tax return processing. Payments for annually filed obligations are not due until April of the following year, meaning this process change will permanently shift revenue collections forward one year and no revenues will be collected in 2025.

### **Transfer Funding from Trial Court Improvement Account Reserve to Seattle Municipal Court**

Expenditures \$(104,222)

This change request reduces the Trial Court Improvement Account fund balance in Finance General and allocates one-time resources to the Seattle Municipal Court (SMC) in 2025 for a finance and budget consultant to advance their organization transformation in support of the new case management system. The court is recasting their organization and its internal administrative systems to support the new case management system. Finance General holds \$150,000 for SMC each year plus any prior year balance. This transfers \$104,222 of the 2025 balance. A change to appropriation authority is listed in the SMC budget section.

## **Proposed Technical**

### **Align Arena Payment Reserve with August Revenue Forecast**

Expenditures \$1,082,000

This adjustment aligns appropriations from the General Fund, Arts and Culture Fund, and Transportation Fund with the anticipated rental adjustment payments related to the Seattle Arena Company, LLC Agreement in 2025 and 2026. The total estimated payment amounts are based on the August Revenue Forecast, totaling \$15.1 million in 2025 and \$14.5 million in 2026.

### **Align General Fund Contribution for Fire and Police Pension Departments**

Expenditures \$(1,585,518)

This item is the final alignment of General Fund need for these departments based on estimated operating costs and available fund balance in the department specific funds for 2025 and 2026. General Fund transfers to the pension funds occur monthly during the fiscal year. The total contribution to the Firefighters' Pension Fund in 2025 and 2026 is \$25.2 million and \$25.5 million, respectively. The total contribution to the Police Relief and Pension Fund in 2025 is \$16.1 million and in 2026 is \$15.8 million.



# Finance General

## Align Debt Service Appropriations with 2025 and 2026 Assumptions

Expenditures \$(177,578)

Finance General debt service reserves for various funds have been updated to reflect anticipated needs in 2025 and 2026. These amounts are updated annually based on former and current project debt service requirements.

## Final Alignment of Emergency Fund and Revenue Stabilization Fund Contributions

Expenditures \$407,443

Revenues \$407,443

The Council altered this proposal in the adopted budget to update amounts based on revenue forecasts provided in October 2024. Refer to the Council Changes section below. The proposed budget description follows:

This adjustment aligns the Emergency Fund and Revenue Stabilization Fund contributions from General Fund related to the August Revenue Forecast updates. The total contribution amounts to the Emergency Fund are \$12.7 million and \$2.4 million in 2025 and 2026, respectively. For the Revenue Stabilization Fund, the 2025 contribution is \$1.1 million and the 2026 contribution is \$2.4 million.

## Final Adjustments for Standard Cost Changes

Expenditures \$536,378

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.

## Fund Balancing Entries

Revenues \$(19,822,650)

This is a technical item to record a fund balancing entry for the General Fund, Payroll Tax Fund, Sweetened Beverage Tax Fund, Short-Term Rental Tax Fund, Real Estate Excise Tax Funds, Emergency Fund, Revenue Stabilization Fund, and Bond Funds which are multi-departmental Funds without a primary custodian department.

## Council

### Create Reserve for Seattle Chinese Garden Master Plan Capital Improvements

Expenditures \$2,500,000

During deliberations, Council increased one-time appropriations to Finance General by \$2.5 million GF in 2025 and \$2.5 million GF in 2026 for capital improvements to continue implementation of the Seattle Chinese Garden's master plan. The Seattle Chinese Garden is a public garden located on the campus of South Seattle College that was established in 1999 through a partnership between the City and its sister city, Chongqing, China.

### Increase Payroll Expense Tax Contributions to the General Fund

Expenditures \$17,610,530

Revenues \$17,610,530

Council increased the Payroll Expense Tax (JumpStart Fund) contributions to the General Fund (GF) during their deliberations by \$17.6 million in 2025 and \$42.0 million in 2026. Combined with amounts included in the Proposed Budget, support for GF revenue backfill totals \$304.6 million in 2025 and \$265.0 million in 2026.

# Finance General

## Increase General Fund to Seattle Public Library for Library Materials

Expenditures \$30,000

This Council Budget Action increases the Seattle Public Library (SPL) by \$30,000 one-time General Fund in 2025 to exempt physical library materials from planned cuts to spending on magazine and newspaper subscriptions, and reference books. The total General Fund transfer to SPL is approximately \$68.5 million in 2025 and \$71.5 million in 2026.

## Recognize October 2024 Revenue Forecast Update

Revenues \$(960,008)

This item recognizes the impacts to the General Fund (GF) and other non-transportation funds from the Office of Economic and Revenue Forecasts (OERF)/City Budget Office (CBO) October 2024 forecast update. In August of each year, the City receives a revenue forecast that is used for the Mayor's budget proposal, followed by a fall update during Council's budget deliberations. Details on the 2025 and 2026 impacts from the October revenue forecast update are listed below by fund:

- General Fund (00100): This change decreases GF revenues by \$16.9 million in 2025 and by \$25.2 million in 2026 due to decreases in property tax, retail sales tax, business and occupation tax, private utility taxes and parking fees.
- JumpStart Fund (14500): This change increases JumpStart Fund revenues by \$10.5 million in 2025 and \$14.6 million in 2026 due to increases in payroll expense tax revenues.
- Real Estate Excise Tax I and II Funds (30010/30020): This change increases combined Real Estate Excise Tax Fund I/II revenues by \$2.6 million in 2025 and \$5.5 million in 2026 due to increases in taxable property sales.
- Arts & Culture Fund (12400): This change decreases Arts & Culture Fund revenues by \$530,000 in 2025 and \$550,000 in 2026 due to decreases in admissions tax revenues.
- Short Term Rental Tax Fund (12200): This change increases Short Term Rental Tax Fund revenues by \$618,000 in 2025 and \$771,000 in 2026 due to increases in short term rental tax revenues.

## Update Contributions to Revenue Stabilization Funds for October Forecast

Expenditures \$(1,275,044)

Revenues \$(1,275,044)

This adjustment aligns the Emergency Fund and Revenue Stabilization Fund contributions from General Fund related to the 2024 October Revenue Forecast updates. The total contribution amounts to the Emergency Fund are \$12.3 million and \$2.4 million in 2025 and 2026, respectively. For the Revenue Stabilization Fund, the 2025 contribution is approximately \$271,000 and the 2026 contribution is \$2.7 million.

## Restoring Reductions to the Seattle Channel

Expenditures \$1,701,206

This Council item adds \$1.7 million in General Fund to restore reductions made to the Seattle Channel program, as well as reinstating 6.0 FTE positions eliminated in the proposed budget. The one-time funding over a two-year period uses \$1.6M to restore non-governmental programming and operations at Seattle Channel, and also fund its capital program by \$100,000 annually.

# Finance General

## Restoring Limited Position Reductions for Six Months

Expenditures \$1,012,977

This City Council item modified changes in the proposed budget, reinstating some position reductions and funding them for six months into 2025. For ITD, this increased the budget by \$1.0 million JumpStart Fund in 2025 (one-time) and increase position authority by 12.0 FTE for the six-month restoration of 12 positions subject to layoff. There is a proviso requiring ITD to only spend this funding on extending these positions for six months. For details regarding this proviso, please see the Information Technology Department budget book section.

## Increase General Fund to Office of Labor Standards for the Business Outreach and Education Fund and Community Outreach and Education Fund

Expenditures \$100,000

This item increases appropriations to the Office of Labor Standards (OLS) by \$100,000 in 2025 and \$600,000 in 2026 for the Business Outreach and Education Fund (BOEF) and Community Outreach and Education Fund (COEF). Of this amount, \$100,000 in 2025 and 2026 ongoing is for the BOEF. In 2026, the COEF would receive \$500,000, \$250,000 of which is one-time for 2026. This action fully restores reductions to these funds included in the 2025-2026 Proposed Budget. The total General Fund transfer to OLS is approximately \$7.4 million in 2025 and \$8.8 million in 2026.

## Fund Balancing Adjustments - Adopted

Revenues \$29,923,515

This is a technical item to record a fund balancing entry for centrally managed funds. This entry is necessary to balance funds following changes made during the Council phase of the budget process.

## Finance General

### Expenditure Overview

Appropriations	2023 Actuals	2024 Adopted	2025 Adopted	2026 Endorsed
<b>FG - BO-FG-2QA00 - Appropriation to Special Funds</b>				
00100 - General Fund	178,025,256	177,647,839	190,353,074	175,052,013
00164 - Unrestricted Cumulative Reserve Fund	1,211,100	3,106,696	3,100,121	2,089,516
12200 - Short-Term Rental Tax Fund	2,005,136	2,010,170	2,010,193	2,008,041
14000 - Coronavirus Local Fiscal Recovery Fund	8,167,523	-	-	-
14500 - Payroll Expense Tax	71,087,472	92,727,659	315,548,240	275,366,391
30010 - REET I Capital Fund	1,712,884	-	-	703,000
30020 - REET II Capital Fund	319,700	-	-	320,450
36800 - 2021 Multipurpose LTGO Bond Fund	1,255,255	-	-	-
36900 - 2022 Multipurpose LTGO Bond Fund	3,567,219	-	-	-
37100 - 2023 Multipurpose LTGO Bond Fund	12,246,013	-	-	-
37200 - 2024 Multipurpose LTGO Bond Fund	-	4,709,708	4,709,708	4,709,708
<b>Total for BSL: BO-FG-2QA00</b>	<b>279,597,558</b>	<b>280,202,072</b>	<b>515,721,336</b>	<b>460,249,119</b>
<b>FG - BO-FG-2QD00 - General Purpose</b>				
00100 - General Fund	40,612,160	50,641,833	52,440,178	53,741,400
12400 - Arts and Culture Fund	9,738,914	10,379,000	12,222,000	11,744,000
13000 - Transportation Fund	304,000	313,000	597,000	607,000
14500 - Payroll Expense Tax	-	-	3,442,889	5,558,106
19900 - Transportation Benefit District Fund	-	-	3,777,085	5,204,752
50300 - Finance and Administrative Services Fund	-	490,000	-	-
<b>Total for BSL: BO-FG-2QD00</b>	<b>50,655,074</b>	<b>61,823,833</b>	<b>72,479,152</b>	<b>76,855,258</b>
<b>Department Total</b>	<b>330,252,631</b>	<b>342,025,905</b>	<b>588,200,488</b>	<b>537,104,377</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 Finance General

	2023 Actuals	2024 Adopted	2025 Adopted	2026 Endorsed
00100 - General Fund	218,637,416	228,289,672	242,793,252	228,793,413
00164 - Unrestricted Cumulative Reserve Fund	1,211,100	3,106,696	3,100,121	2,089,516
12200 - Short-Term Rental Tax Fund	2,005,136	2,010,170	2,010,193	2,008,041

## Finance General

12400 - Arts and Culture Fund	9,738,914	10,379,000	12,222,000	11,744,000
13000 - Transportation Fund	304,000	313,000	597,000	607,000
14000 - Coronavirus Local Fiscal Recovery Fund	8,167,523	-	-	-
14500 - Payroll Expense Tax	71,087,472	92,727,659	318,991,129	280,924,497
19900 - Transportation Benefit District Fund	-	-	3,777,085	5,204,752
30010 - REET I Capital Fund	1,712,884	-	-	703,000
30020 - REET II Capital Fund	319,700	-	-	320,450
36800 - 2021 Multipurpose LTGO Bond Fund	1,255,255	-	-	-
36900 - 2022 Multipurpose LTGO Bond Fund	3,567,219	-	-	-
37100 - 2023 Multipurpose LTGO Bond Fund	12,246,013	-	-	-
37200 - 2024 Multipurpose LTGO Bond Fund	-	4,709,708	4,709,708	4,709,708
50300 - Finance and Administrative Services Fund	-	490,000	-	-
<b>Budget Totals for FG</b>	<b>330,252,631</b>	<b>342,025,905</b>	<b>588,200,488</b>	<b>537,104,377</b>

# Finance General

## Revenue Overview

### 2025 Estimated Revenues

Account Code	Account Name	2023 Actuals	2024 Adopted	2025 Adopted	2026 Endorsed
311010	Real & Personal Property Taxes	314,284,047	316,830,272	324,501,902	324,857,063
313010	Sales & Use Tax-Local Share	312,028,704	325,318,109	315,620,225	322,023,898
313030	Sales & Use Tax-Brkrd Nat Gas	2,106,956	1,736,286	1,573,323	1,599,258
313040	Sales & Use Tax-Crim Justice	27,857,228	30,068,318	28,372,825	28,954,112
314010	Payroll Expense Tax	3,645,976	-	-	-
316010	B&O Tax	350,990,618	368,071,646	369,354,336	394,450,325
316020	B&O Tax-Admissions Rev	171,708	-	-	-
316070	B&O Tax-Gas Utility	13,847,785	12,173,638	10,614,103	10,727,277
316080	B&O Tax-Garbage Utility	1,775,923	1,677,692	1,738,447	1,784,049
316100	B&O Tax-Cable Tv Utility	11,815,901	11,680,000	9,784,747	8,904,120
316110	B&O Tax-Telephone/Graph Util	12,018,692	9,720,000	9,049,624	8,144,661
316120	B&O Tax-Steam Utility	1,673,175	1,456,638	1,742,530	1,835,284
316130	B&O Tax-Electric Utility	52,807,584	65,552,293	70,579,788	72,255,313
316140	B&O Tax-Water Utility	34,911,793	37,607,874	38,739,844	39,546,991
316150	B&O Tax-Sewer Utility	41,693,150	64,869,844	72,560,227	76,592,749
316160	B&O Tax-Solid Waste Utility	29,324,836	25,683,967	27,546,234	28,455,260
316170	B&O Tax-Drainage Utility	21,727,514	-	-	-
316180	B&O Tax-Trans Fee-In City	4,802,300	5,071,853	5,520,735	5,702,919
316190	B&O Tax-Trans Fee-Out City	416,708	-	-	-
317040	Leasehold Excise Tax Rev	8,123,619	7,316,096	7,884,530	8,001,304
317060	Gambling Excise Tax Rev	417,610	380,000	-	325,000
318030	Business & Occup Tax Penalties	3,056,301	-	-	-
318040	Business & Occup Tax Interest	504,021	-	-	-
318050	Admission Tx Penalties & Inter	(412)	-	-	-
318070	Utility Tx Penalties & Int	1,635,187	-	-	-
318110	Firearms & Ammunition Tax	170,382	160,000	100,000	100,000
318310	Transportation Network Co Tax	5,284,313	5,383,370	5,663,557	5,772,352
321100	Bus Lic&Perm-Business Gen	23,988,546	18,935,560	20,750,713	21,344,027
322220	Nonbus Lic&Perm-Strmwtr Sewer	37,000	-	-	-
331130	Direct Fed Grants-Fema	-	1,161,685	-	-
335010	Marijuana Enforcement	1,918,864	1,931,287	2,107,874	2,266,894
335030	Vessel Registration Fees	115,894	140,000	130,000	130,000
335070	Criminal Justice Hi Crm	2,459,767	2,592,829	2,719,098	2,844,830
335080	Criminal Justice Pop	1,532,623	1,303,163	1,637,339	1,717,867
335090	Criminal Justice Dcd #1	990,642	950,000	950,000	950,000

## Finance General

335120	Rev Sharing Dui-Cities	77,509	55,000	65,000	65,000
335140	Liquor Excise Tax	5,394,812	5,392,657	5,340,571	5,479,815
335150	Liquor Board Profits	5,829,965	5,951,094	5,995,528	6,060,919
341900	General Government-Other Rev	1,416,368	1,218,516	1,506,512	1,506,512
350030	Parking Infraction Penalties	-	1,342,427	-	-
350190	Nsf Check Fees	3,093	1,200	3,000	3,000
360020	Inv Earn-Residual Cash	-	17,730,751	19,531,325	18,748,833
360130	Interest On Contracts/Notes Re	1,149,007	400,000	900,000	800,000
360180	Penalties-Spec Assessments	143,077	100,000	100,000	100,000
360290	Parking Fees	-	(536,024)	-	-
360900	Miscellaneous Revs-Other Rev	6,388	5,000	5,000	5,000
391060	Long-Term Intergovtl Loan Proc	-	333,333	-	-
397010	Operating Transfers In	80,504,995	94,558,007	314,535,263	275,366,392
<b>Total Revenues for: 00100 - General Fund</b>		<b>1,382,660,169</b>	<b>1,444,324,382</b>	<b>1,677,224,201</b>	<b>1,677,421,025</b>
400000	Use of/Contribution to Fund Balance	-	24,642,380	(55,374,741)	(28,210,146)
<b>Total Resources for:00100 - General Fund</b>		<b>1,382,660,169</b>	<b>1,468,966,762</b>	<b>1,621,849,459</b>	<b>1,649,210,878</b>
318100	Sweetened Beverage Tax	21,511,037	21,247,301	21,326,902	21,753,440
318120	Sweet Bev Tax Penalty and Int	6,684	-	-	-
397010	Operating Transfers In	1,200,000	1,200,000	-	-
<b>Total Revenues for: 00155 - Sweetened Beverage Tax Fund</b>		<b>22,717,721</b>	<b>22,447,301</b>	<b>21,326,902</b>	<b>21,753,440</b>
400000	Use of/Contribution to Fund Balance	-	(58,188)	1,921,162	609,047
<b>Total Resources for:00155 - Sweetened Beverage Tax Fund</b>		<b>22,717,721</b>	<b>22,389,113</b>	<b>23,248,065</b>	<b>22,362,487</b>
360010	Investment Interest	-	-	300,000	100,000
360020	Inv Earn-Residual Cash	-	1,000,000	1,000,000	1,000,000
395010	Sales Of Land & Buildings	-	500,000	1,104,000	3,788,500
<b>Total Revenues for: 00164 - Unrestricted Cumulative Reserve Fund</b>		<b>-</b>	<b>1,500,000</b>	<b>2,404,000</b>	<b>4,888,500</b>
400000	Use of/Contribution to Fund Balance	-	2,828,066	1,115,820	(2,523,018)
<b>Total Resources for:00164 - Unrestricted Cumulative Reserve Fund</b>		<b>-</b>	<b>4,328,066</b>	<b>3,519,820</b>	<b>2,365,482</b>
397010	Operating Transfers In	3,590,277	2,252,224	270,656	(8,872,213)
<b>Total Revenues for: 00166 - Revenue Stabilization Fund</b>		<b>3,590,277</b>	<b>2,252,224</b>	<b>270,656</b>	<b>(8,872,213)</b>
400000	Use of/Contribution to Fund Balance	-	(2,252,224)	(270,656)	8,872,213

## Finance General

<b>Total Resources for:00166 - Revenue Stabilization Fund</b>		<b>3,590,277</b>	-	-	-
397000	Operating Transfers In Summ	-	(501,000)	(501,000)	(501,000)
397010	Operating Transfers In	15,000,000	(19,002,000)	(20,864,629)	(19,256,885)
397100	Intrafund Revenues	-	33,687,000	33,687,000	33,687,000
<b>Total Revenues for: 10102 - Emergency Fund</b>		<b>15,000,000</b>	<b>14,184,000</b>	<b>12,321,371</b>	<b>13,929,115</b>
400000	Use of/Contribution to Fund Balance	-	(14,184,000)	(12,321,371)	(13,929,115)
<b>Total Resources for:10102 - Emergency Fund</b>		<b>15,000,000</b>	-	-	-
317090	Short Term Rental Tax	11,401,584	11,855,163	12,447,823	13,151,239
<b>Total Revenues for: 12200 - Short-Term Rental Tax Fund</b>		<b>11,401,584</b>	<b>11,855,163</b>	<b>12,447,823</b>	<b>13,151,239</b>
400000	Use of/Contribution to Fund Balance	-	(200,123)	878,449	(112,485)
<b>Total Resources for:12200 - Short-Term Rental Tax Fund</b>		<b>11,401,584</b>	<b>11,655,040</b>	<b>13,326,271</b>	<b>13,038,753</b>
316020	B&O Tax-Admissions Rev	-	997,641	26,463,753	27,232,951
<b>Total Revenues for: 12400 - Arts and Culture Fund</b>		-	<b>997,641</b>	<b>26,463,753</b>	<b>27,232,951</b>
331110	Direct Fed Grants	8,167,523	-	-	-
<b>Total Revenues for: 14000 - Coronavirus Local Fiscal Recovery Fund</b>		<b>8,167,523</b>	-	-	-
400000	Use of/Contribution to Fund Balance	-	(1,673)	-	-
<b>Total Resources for:14000 - Coronavirus Local Fiscal Recovery Fund</b>		<b>8,167,523</b>	<b>(1,673)</b>	-	-
314010	Payroll Expense Tax	313,346,635	325,662,548	440,480,430	466,115,179
314020	Payroll Expense Tax P&I	1,831,410	-	-	-
350190	Nsf Check Fees	20	-	-	-
<b>Total Revenues for: 14500 - Payroll Expense Tax</b>		<b>315,178,065</b>	<b>325,662,548</b>	<b>440,480,430</b>	<b>466,115,179</b>
400000	Use of/Contribution to Fund Balance	-	3,953,002	101,198,030	38,207,753
<b>Total Resources for:14500 - Payroll Expense Tax</b>		<b>315,178,065</b>	<b>329,615,550</b>	<b>541,678,460</b>	<b>504,322,931</b>
360420	Other Judgments & Settlements	1,599,993	-	-	-
<b>Total Revenues for: 14510 - Opioid Settlement Proceed Fund</b>		<b>1,599,993</b>	-	-	-
318010	Operating Assessments	827,697	-	-	-



## Finance General

360190	Deferred Interest-Spec Assessm	31,602	-	-	-
<b>Total Revenues for: 19811 - BIA - Pioneer Square</b>		<b>859,299</b>	-	-	-
318010	Operating Assessments	131,462	-	-	-
360190	Deferred Interest-Spec Assessm	12,638	-	-	-
<b>Total Revenues for: 19815 - BIA - Columbia City</b>		<b>144,101</b>	-	-	-
318010	Operating Assessments	15,712,878	-	-	-
<b>Total Revenues for: 19825 - BIA - Seattle Tourism</b>		<b>15,712,878</b>	-	-	-
318010	Operating Assessments	358,465	-	-	-
360190	Deferred Interest-Spec Assessm	1,244	-	-	-
<b>Total Revenues for: 19830 - BIA - Capitol Hill</b>		<b>359,709</b>	-	-	-
318010	Operating Assessments	463,067	-	-	-
360190	Deferred Interest-Spec Assessm	5,491	-	-	-
<b>Total Revenues for: 19840 - BIA - West Seattle</b>		<b>468,558</b>	-	-	-
318010	Operating Assessments	595,631	-	-	-
360190	Deferred Interest-Spec Assessm	1,377	-	-	-
<b>Total Revenues for: 19845 - BIA - Ballard</b>		<b>597,008</b>	-	-	-
318010	Operating Assessments	16,653,215	-	-	-
360190	Deferred Interest-Spec Assessm	72,082	-	-	-
<b>Total Revenues for: 19855 - BIA - Metropolitan</b>		<b>16,725,297</b>	-	-	-
318010	Operating Assessments	1,702,244	-	-	-
360190	Deferred Interest-Spec Assessm	1,531	-	-	-
<b>Total Revenues for: 19857 - BIA - SODO</b>		<b>1,703,775</b>	-	-	-
318010	Operating Assessments	176,960	-	-	-
360190	Deferred Interest-Spec Assessm	2,320	-	-	-
<b>Total Revenues for: 19880 - BIA - Chinatown-ID</b>		<b>179,280</b>	-	-	-
318010	Operating Assessments	1,768,175	-	-	-
360190	Deferred Interest-Spec Assessm	12,916	-	-	-
<b>Total Revenues for: 19890 - BIA - U District</b>		<b>1,781,091</b>	-	-	-
400000	Use of/Contribution to Fund Balance	-	2,413,000	3,173,000	-
<b>Total Resources for:20110 - General Bond Interest and Redemption Fund</b>		-	<b>2,413,000</b>	<b>3,173,000</b>	-
400000	Use of/Contribution to Fund Balance	-	-	(1,641,264)	(1,641,264)

## Finance General

<b>Total Resources for:20130 - LTGO Bond Interest and Redemption Fund</b>		-	-	(1,641,264)	(1,641,264)
400000	Use of/Contribution to Fund Balance	-	-	(14,965,800)	(16,315,800)
<b>Total Resources for:20140 - UTGO Bond Interest Redemption Fund</b>		-	-	(14,965,800)	(16,315,800)
317010	Real Estate Excise Tax Reet #1	24,930,605	26,125,554	33,225,994	42,861,039
318080	Other Taxes Penalties & Int	692	-	-	-
<b>Total Revenues for: 30010 - REET I Capital Fund</b>		<b>24,931,297</b>	<b>26,125,554</b>	<b>33,225,994</b>	<b>42,861,039</b>
400000	Use of/Contribution to Fund Balance	-	3,775,137	7,839,270	1,176,151
<b>Total Resources for:30010 - REET I Capital Fund</b>		<b>24,931,297</b>	<b>29,900,691</b>	<b>41,065,264</b>	<b>44,037,190</b>
317020	Real Estate Excise Tax Reet #2	24,930,605	26,125,554	33,225,994	42,861,039
318080	Other Taxes Penalties & Int	692	-	-	-
<b>Total Revenues for: 30020 - REET II Capital Fund</b>		<b>24,931,297</b>	<b>26,125,554</b>	<b>33,225,994</b>	<b>42,861,039</b>
400000	Use of/Contribution to Fund Balance	-	6,196,266	(820,557)	767,377
<b>Total Resources for:30020 - REET II Capital Fund</b>		<b>24,931,297</b>	<b>32,321,820</b>	<b>32,405,437</b>	<b>43,628,416</b>
318080	Other Taxes Penalties & Int	12,316	-	-	-
360170	Interest-Special Assessments	92,132	-	-	-
379010	Capital Assessments	1,000,009	-	-	-
<b>Total Revenues for: 35030 - LID #6750 SLU - Assessments</b>		<b>1,104,457</b>	-	-	-
391010	G.O.Bond Proceeds	-	60,208,782	60,208,782	60,208,782
<b>Total Revenues for: 37200 - 2024 Multipurpose LTGO Bond Fund</b>		-	<b>60,208,782</b>	<b>60,208,782</b>	<b>60,208,782</b>
400000	Use of/Contribution to Fund Balance	-	10,862,758	(55,499,074)	(55,499,074)
<b>Total Resources for:37200 - 2024 Multipurpose LTGO Bond Fund</b>		-	<b>71,071,540</b>	<b>4,709,708</b>	<b>4,709,708</b>
391010	G.O.Bond Proceeds	-	(10,600,000)	(10,600,000)	(10,600,000)
<b>Total Revenues for: 37210 - 2024 LTGO Taxable Bond Fund</b>		-	<b>(10,600,000)</b>	<b>(10,600,000)</b>	<b>(10,600,000)</b>
400000	Use of/Contribution to Fund Balance	-	-	10,600,000	10,600,000

## Finance General

<b>Total Resources for:37210 - 2024 LTGO Taxable Bond Fund</b>		-	(10,600,000)	-	-
400000	Use of/Contribution to Fund Balance	-	-	43,242,999	-
<b>Total Resources for:37300 - 2025 Multipurpose LTGO Bond Fund</b>		-	-	<b>43,242,999</b>	-
400000	Use of/Contribution to Fund Balance	-	-	10,000,000	-
<b>Total Resources for:37310 - 2025 LTGO Taxable Bond Fund</b>		-	-	<b>10,000,000</b>	-
400000	Use of/Contribution to Fund Balance	-	-	-	164,050,000
<b>Total Resources for:37400 - 2026 Multipurpose LTGO Bond Fund</b>		-	-	-	<b>164,050,000</b>
400000	Use of/Contribution to Fund Balance	-	-	9,000,000	-
<b>Total Resources for:37410 - 2026 LTGO Bond Fund B</b>		-	-	<b>9,000,000</b>	-
<b>Total FG Resources</b>		<b>1,849,813,379</b>	<b>1,963,057,550</b>	<b>2,357,075,172</b>	<b>2,457,001,734</b>

## Finance General

### Appropriations by Budget Summary Level and Program

#### **FG - BO-FG-2QA00 - Appropriation to Special Funds**

The purpose of the Appropriation to Special Funds Budget Summary Level is to appropriate General Fund and other centrally managed resources, several of which are based upon the performance of certain City revenues, to bond redemption or special purpose funds. These appropriations are implemented as operating transfers to the funds or accounts they support.

<b>Program Expenditures</b>	<b>2023 Actuals</b>	<b>2024 Adopted</b>	<b>2025 Adopted</b>	<b>2026 Endorsed</b>
Appropriation to Special Funds	279,597,558	280,202,072	515,721,336	460,249,119
<b>Total</b>	<b>279,597,558</b>	<b>280,202,072</b>	<b>515,721,336</b>	<b>460,249,119</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*

#### **FG - BO-FG-2QD00 - General Purpose**

The purpose of the General Purpose Budget Summary Level is to provide appropriation authority to those programs for which there is no single appropriate managing department, or for which there is Council and/or Mayor desire for additional budget oversight.

<b>Program Expenditures</b>	<b>2023 Actuals</b>	<b>2024 Adopted</b>	<b>2025 Adopted</b>	<b>2026 Endorsed</b>
General Purpose	50,655,074	61,823,833	72,479,152	76,855,258
<b>Total</b>	<b>50,655,074</b>	<b>61,823,833</b>	<b>72,479,152</b>	<b>76,855,258</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*