

City Budget Office

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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 Actuals	2024 Adopted	2025 Adopted	2026 Endorsed
Department Support				
General Fund Support	7,921,959	8,782,621	9,782,164	10,240,194
Other Funding - Operating	1,278,404	176,490	-	-
Total Operations	9,200,362	8,959,111	9,782,164	10,240,194
Total Appropriations	9,200,362	8,959,111	9,782,164	10,240,194
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 Proposed and 2026 Endorsed 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 Proposed and 2026 Endorsed 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 Council Changes to the Proposed Budget

The City Council adjusted the proposed budget to include a one-time reduction of \$70,000 from the City Budget Office's Budget in the Payroll Expense Tax Evaluation fund to provide a one-time increase in HSD for Public Safety Services in the Chinatown district. Council also implemented a one-time reduction of \$30,000 from the City Budget

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Office Budget from the Payroll Expense Tax Evaluation fund to provide a one-time Increase in HSD for a Mobile Medication Unit.

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Incremental Budget Changes

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	Dollars	FTE
2024 Adopted Budget	8,959,111	45.00
	-	-
	-	-
Baseline		
Bargained Annual Wage and Market Wage Increases to Base Budget	945,165	-
Citywide Adjustments for Standard Cost Changes	169,715	-
Proposed Operating		
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)	-
Proposed Technical		
Final Adjustments for Standard Cost Changes	(60,073)	-
Ongoing Changes from Current Year Legislation	-	-
Council		
Errata Corrections to the Proposed Budget and CIP	-	-
One-time Reduction to the City Budget Office Budget for Payroll Expense Tax Evaluation and One-time Increase in HSD for Public Safety Services in the Chinatown International District	(70,000)	-
One-time Reduction to the City Budget Office Budget for Payroll Expense Tax Evaluation and One-time Increase in HSD for a Mobile Medication Unit	(30,000)	-
Restoring Limited Position Reductions for Six Months	-	-
Total Incremental Changes	\$823,054	(1.00)
Total 2025 Adopted Budget	\$9,782,164	44.00

Description of Incremental Budget Changes

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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.

Proposed Operating

Conduct Emergency Management Assessment

Expenditures \$30,000

As part of preparing the City for all types of emergencies, the 2025 Adopted and 2026 Endorsed Budget includes \$30,000 in one-time funding in the City Budget Office to conduct a review of other emergency management offices.

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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 adopted 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) to support the Affordable Seattle Program. The item transfers \$202,506 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 is sustained with payroll tax resources.

Vacancy Rate Increase

Expenditures \$(59,247)

The General Fund revenue forecast for the City's 2025 Adopted and 2026 Endorsed 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.

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Council

Errata Corrections to the Proposed Budget and CIP

This Council Budget Action (CBA) corrects errors in appropriations and revenues for the 2025-2026 Proposed Budget. Also, this CBA corrects several project pages in the 2025 – 2030 Proposed Capital Improvement Program (CIP). The City Budget Office (CBO) and Central Staff identified these errata after transmittal to the City Council.

Only transactions that correct appropriations or revenues that were included in the 2025-2026 Proposed Budget are included in the Summary of Dollar Effect tables above. Discrete corrections to appropriations and revenues are shown in separate transactions in the Transaction table below.

The corrections included in this CBA by department include:

Seattle Department of Transportation (SDOT) 1: Restore \$1,000,000 Transportation Fund to Arborist Services in 2025 and 2026. The baseline budget was inadvertently reduced by \$1,000,000 in 2025 and 2026. This action would restore baseline level funding for Arborist Services while reducing reserves in the Transportation Fund.

SDOT 2: Correct the Budget Summary Level (BSL) description in Attachment A (Appropriations by Budget Control Level) to the 2025 Budget Adoption Ordinance (CB 120905) for the SDOT Capital General Expense BSL to correctly reference the title of the BSL to read "The purpose of the Capital General Expense Budget Summary Level is to meet debt service obligations on funds borrowed to meet the Seattle Department of Transportation's capital expenditure requirements."

SDOT 3: Reduce Transportation Fund appropriations and revenues to zero for the Waterfront and Civic Projects BSL (BO-TR-16000) in the 2026 Proposed Budget. This reimbursable budget authority will not be required in 2026 as the project nears completion. The budget adjustment should have been included in the development of the Proposed Budget as part of the baseline.

Amended CIP Project Pages:

See Attachment 1. The amended CIP Project Pages are ordered as shown in the list below. Corrections are shown in red. Deletions are struck through and additions are underlined.

Finance and Administrative Services (FAS)
Energy Efficiency for Municipal Buildings (MC-FA-ENEFFMBLD).

Seattle Public Utilities (SPU)
1% for Arts (MC-SU-C4118)
Alaskan Way Viaduct & Seawall Replacement Program (MC-SU-C4102)
Heavy Equipment Purchases (MC-SU-C4116)
Integrated Control Monitoring Program (MC-SU-C4108)
Move Seattle (MC-SU-C4119)
Operational Facility - Construction (MC-SU-C4106)
Other Major Transportation Projects (MC-SU-C4123)
Security Improvements (MC-SU-C4113)
Streetcar Related Projects (MC-SU-C4130)
Meter Replacement (MC-SU-C4101)

Seattle Center (CEN)
Memorial Stadium Redevelopment (MC-SC-S9505)

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One-time Reduction to the City Budget Office Budget for Payroll Expense Tax Evaluation and One-time Increase in HSD for Public Safety Services in the Chinatown International District

Expenditures \$(70,000)

This item is a one-time reduction (\$70,000) to the City Budget Office Budget for evaluation of the Payroll Expense Tax and a one-time investment (\$70,000) to HSD's budget for contracted public safety improvement services in the Little Saigon area of the Chinatown International District neighborhood. The Council has identified We Deliver Care for this funding and requests that the HSD Director waive the requirements of Seattle Municipal Code subsection 3.20.050.B, as authorized by subsection 3.20.050.C.

When combined with items "Ongoing Funding for the Third Avenue Project (TAP)", "Ongoing Funding for Public Safety Services Along Third Avenue and in the Chinatown International District", and "One-time Funding for Public Safety Services in the Chinatown International District" the adopted budget adds a total of \$2.97 million to HSD's budget in 2025 and \$2.4 million in 2026 for enhancement services along Third Avenue and in the Chinatown International District.

One-time Reduction to the City Budget Office Budget for Payroll Expense Tax Evaluation and One-time Increase in HSD for a Mobile Medication Unit

Expenditures \$(30,000)

This item is a one-time reduction (\$30,000) to the City Budget Office Budget for evaluation of the Payroll Expense Tax and a one-time investment (\$450,000) to HSD's budget for the purchase of a mobile medication unit serving neighborhoods that are significantly impacted by substance abuse disorder, such as 3rd Avenue around Pike Street and Pine Street and Little Saigon. Council has identified Evergreen Treatment Services (ETS) for this funding and requests that the HSD Director waive the requirements of subsection 3.20.050.B, as authorized by subsection 3.20.050.C. See the HSD budget section for more information.

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Expenditure Overview

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

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Budget Summary by Fund City Budget Office

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

Revenue Overview

2025 Estimated Revenues

Account Code	Account Name	2023 Actuals	2024 Adopted	2025 Adopted	2026 Endorsed
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	-	-	-
Total Revenues for: 00100 - General Fund		2,367,255	2,077,063	2,093,721	2,182,787
331110	Direct Fed Grants	1,278,404	-	-	-
Total Revenues for: 14000 - Coronavirus Local Fiscal Recovery Fund		1,278,404	-	-	-
Total CBO Resources		3,645,658	2,077,063	2,093,721	2,182,787

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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.

Program Expenditures	2023	2024	2025	2026
	Actuals	Adopted	Adopted	Endorsed
City Budget Office	9,200,362	8,959,111	9,782,164	10,240,194
Total	9,200,362	8,959,111	9,782,164	10,240,194
Full-time Equivalents Total*	45.00	45.00	44.00	44.00

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