

# 2022 Seattle City Council Budget Action

Council Budget Action: Agenda

Tab	Action	Option	Version
CBO	508	A	001

**Budget Action Title:** Adopt Resolution 32024 - CBO Emergency Fund Policies

Ongoing: Yes Has Budget Proviso: No

Has CIP Amendment: No Has Attachment: No

Primary Sponsor: Budget Committee

Council Members:

Staff Analyst: Tom Mikesell

Council Bill or Resolution: RES 32024

Date		Total	LH	TM	KS	AP	DJ	DS	AL	BC	LG
	Yes	0									
	No	0									
	Abstain	0									
	Absent	0									

## Summary of Dollar Effect

See the following pages for detailed technical information

	2022 Increase (Decrease)	2023 Increase (Decrease)
<b>General Fund</b>		
<b>General Fund Revenues</b>	\$0	
<b>General Fund Expenditures</b>	\$0	
<b>Net Balance Effect</b>	<b>\$0</b>	
<b>Total Budget Balance Effect</b>	<b>\$0</b>	

## Budget Action Description:

This Council Budget Action would recommend adoption of Resolution 32024, which would revise the City's fiscal policy for the Emergency Fund (EMF), as currently established in Resolution 31717. Changes would include technical revisions to align the policy with the City's fund accounting system, revising the reference to the regional inflationary index used for the balance calculation, and providing for a longer replenishment term compared to the requirement in the current fiscal policy. Specifically, after significant draw downs in the EMF from severe or prolonged emergencies, the proposed change would provide for a maximum five-year replenishment schedule for the EMF, with allowances for a swifter replenishment if possible.

The current policy in Resolution 31717 requires that, in the year following a use of the fund, the balance be fully restored to an amount equal to \$60 million plus growth in the Seattle Urban Consumer Price Index since 2016. Under current policy, the 2022 contribution amount would be \$37.5 million. The policy

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change proposed in Resolution 32024 would allow for four additional years to replenish the balance. Relying on this policy change, the Mayor's Proposed 2021 Budget deposits \$10 million to the EMF.

## Budget Action Transactions

#	Transaction Description	Position Title	Number of Positions	FTE	Dept	BSL	Fund	Year	Revenue Amount	Expenditure Amount
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