

2022 Seattle City Council Budget Action

Council Budget Action: Agenda

Tab	Action	Option	Version
FG	901	A	001

Budget Action Title: Cut \$2 million CLFR Fund for a FEMA Contingency and reallocate for GF and SBT revenue replacement for food and nutrition programs and expansion of the Community Safety Officer program

Ongoing: Yes Has Budget Proviso: No

Has CIP Amendment: No Has Attachment: No

Primary Sponsor: Teresa Mosqueda

Council Members:

Staff Analyst: Aly Pennucci

Council Bill or Resolution:

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)
General Fund		
General Fund Revenues	\$1,055,000	
General Fund Expenditures	\$0	
Net Balance Effect	\$1,055,000	
Other Funds		
Sweetened Beverage Tax Fund (00155)		
Revenues	\$945,000	
Expenditures	\$0	
Net Balance Effect	\$945,000	
Coronavirus Local Fiscal Recovery Fund (14000)		
Revenues	\$0	
Expenditures	\$0	
Net Balance Effect	\$0	

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Total Budget Balance Effect	\$2,000,000
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Budget Action Description:

This Council Budget Action would cut \$2 million of Coronavirus Local Fiscal Recovery (CLFR) funds from the proposed Finance General FEMA reserve and instead uses that \$2 million for a General Fund revenue replacement to address revenue decreases identified in the November revenue forecast.

This \$2 million of GF would be used to:

- Address a decrease in expected 2022 Sweetened Beverage Tax Revenues. The November revenue forecast include a \$4.5M decrease in the SBT Fund, likely due to the reduced sales of fountain and other sweetened beverages by commuters and shoppers. CBA FG-007-A-001 addressed this shortfall by transferring \$1.4 million GF to the SBT which, combined with reserved and unreserved balances, would balance the SBT Fund based on the financial plan for the SBT Fund transmitted with the Mayor's 2022 Proposed Budget. Subsequent to receiving the November update, CBO reported an error in their financial plan for the SBT which would result in the SBT Fund being \$745,000 out of budget after fully depleting the funds planning reserves. This action would transfer and additional \$945,000 GF to the SBT to fully balance the fund and leave a small planning reserve.
- Provide additional GF to address the decrease to the GF identified in the November revenue update. This will allow the proposed expansion of the Community Service Office program in the Seattle Police Department included in the 2022 Proposed Budget to move forward in 2022.

Budget Action Transactions

#	Transaction Description	Position Title	Number of Positions	FTE	Dept	BSL	Fund	Year	Revenue Amount	Expenditure Amount
1	Transfer from CLFR		0	0	FG - FG000	FG - BR-FG-REVENUE - Finance General - Revenue	00100 - General Fund	2022	\$1,055,000	\$0
2	Transfer from CLFR		0	0	FG - FG000	FG - BR-FG-REVENUE - Finance General - Revenue	00155 - Sweetened Beverage Tax Fund	2022	\$945,000	\$0
3	Reduce funding for FEMA reserve		0	0	FG - FG000	FG - BO-FG-2QA00 - Appropriation to Special Funds	14000 - Coronavirus Local Fiscal Recovery Fund	2022	\$0	\$(2,000,000)
4	Transfer to GF		0	0	FG - FG000	FG - BO-FG-2QA00 - Appropriation to Special Funds	14000 - Coronavirus Local Fiscal Recovery Fund	2022	\$0	\$1,055,000
5	Transfer to SBT		0	0	FG - FG000	FG - BO-FG-2QA00 - Appropriation to Special Funds	14000 - Coronavirus Local Fiscal Recovery Fund	2022	\$0	\$945,000