



SEATTLE CITY COUNCIL
CENTRAL STAFF

Budget Deliberations & Issue Identification General Fund Balancing Analysis

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SELECT BUDGET COMMITTEE | OCTOBER 16, 2019

GF Resource Increase -Endorsed to Proposed

GF Resources	
2020 Endorsed Budget	\$1,427,476,000
2020 Proposed Budget	\$1,493,280,210
Increase	\$65,804,210

- Shift Taxes to New Funds;
- New Heating Oil Tax;
- Transportation Network Companies (TNC) Tax Proposal;
- Mercer Mega Block Proceeds (GF);
- Forecast Changes; and
- Use of Prior Year Balance.

GF Resource Increase – Endorsed vs. Proposed

- A. Shift Taxes to New Funds: \$32.4 million ongoing decrease
- B. Heating Oil Tax: \$568,000 ongoing increase
- C. Forecast Changes: \$7.2 million ongoing increase
- D. TNC Tax Proposal: \$9.7 million ongoing increase

GF Resource Increase – Endorsed vs. Proposed

E. Mercer Mega Block Proceeds (GF): \$66.5 million one-time increase

Total Proceeds	\$143,499,731
To Transportation Fund	\$54,700,000
To Low Income Housing Fund	\$20,999,731
Held in Escrow	\$1,300,000
GF Share	\$66,500,000

F. Use of Prior Year Balance: \$14.3 million one-time increase

3rd Quarter Supplemental Ordinance (Net)	\$4,817,745
SBT Balance	\$4,018,000
2019 Revised Forecast	\$5,507,707
Total Prior Year Balance	\$14,343,452

Summary of Resource Additions – Endorsed vs. Proposed Budget

Resource	Ongoing	One-time	Total
2020 Endorsed Budget	\$1,427,476,000	-	\$1,427,476,000
Shift Taxes to New Funds	(\$32,420,860)	-	(\$32,420,860)
TNC Tax Proposal	\$9,655,000	-	\$9,655,000
Heating Oil Tax	\$567,825	-	\$567,825
Forecast Changes	\$7,158,793	-	\$7,158,793
Mercer Mega Block	-	\$66,500,000	\$66,500,000
Prior Year Balance	-	\$14,343,452	\$14,343,452
2020 Proposed Budget	\$1,412,436,758	\$80,843,452	\$1,493,280,210

GF Expenditure Increase – Endorsed vs. Proposed

GF Expenditures	
2020 Endorsed Budget	\$1,374,502,552
2020 Proposed Budget	\$1,493,280,210
Increase	\$118,777,658

- Baseline Adjustments;
- Shift Expenditures to New Funds;
- Transfer SBT Fund Balance;
- Heating Oil Tax Supported Expenditures; and,
- Executive Proposals.

GF Expenditure Increases – Endorsed vs. Proposed

- A. Baseline Adjustments: \$36 million ongoing increase, \$6.2 million one-time decrease
- B. Shift Expenditures to New Funds: \$24.9 million ongoing decrease
- C. Transfer SBT Fund Balance: \$4.0 million one-time increase
- D. Heating Oil Tax Supported Expenditures: \$568,000 ongoing increase
- E. Executive Proposals: \$28.0 million ongoing increase; \$81.1 million one-time increase

Summary of Expenditure Additions - Endorsed vs. Proposed

Expenditures	Ongoing	One-time	Total
2020 Endorsed Budget	\$1,374,502,552	-	\$1,374,502,552
Baseline Changes	\$36,187,850	(\$6,178,689)	\$30,009,161
Shift Costs to New Funds	(\$24,909,459)	-	(\$24,909,459)
Transfer SBT Fund Balance	-	\$4,018,000	\$4,018,000
Heating Oil Tax Supported Expenditures	\$567,825	-	\$567,825
Executive Proposals	\$28,021,014	\$81,071,117	\$109,092,131
2020 Proposed Budget	\$1,414,369,782	\$78,910,428	\$1,493,280,210

Summary of 2020 Proposed GF Budget – Ongoing and One-Time

2020 Proposed Budget	Ongoing	One-Time	Total
Revenues	\$1,412,436,758	\$80,843,452	\$1,493,280,210
Expenditures	\$1,414,369,782	\$78,910,428	\$1,493,280,210
Difference (Revenues less Expenditures)	(\$1,933,024)	\$1,933,024	-

Issue Identification

1. Ongoing GF Spending Exceeds Ongoing Resources
 - A. Assume ongoing revenues in 2020 will exceed the forecasted levels by at least \$1.9 million, resolving the imbalance in future years.
 - B. Shift a total of \$1.9 million of proposed ongoing spending to one-time.
 - C. Identify new ongoing revenues totaling \$1.9 million.
 - D. No action.

Questions?