

SUMMARY and FISCAL NOTE*

Department:	Dept. Contact/Phone:	CBO Contact/Phone:
City Budget Office		Adam Schaefer/4-8358

** Note that the Summary and Fiscal Note describes the version of the bill or resolution as introduced; final legislation including amendments may not be fully described.*

1. BILL SUMMARY

Legislation Title: A RESOLUTION relating to the City’s annual budget process; repealing Resolution 28885; and stating intent that the City will consider a one-year budget proposal for 2021.

Summary and background of the Legislation: In 1994, the City Council adopted Resolution 28885, which outlined a process for creating a City budget with elements of a biennial budget process. Chapter 35.34.040 of the Revised Code of Washington (RCW) allows certain Washington cities the option of passing a two-year (biennial) budget every two years, then amending it during the two years it is in effect. The City of Seattle, to date, has not chosen to invoke RCW 35.34.040. Instead, the City Council adopted Resolution 28885 in 1994, which outlined a process for creating a City budget with *elements* of a biennial budget process, namely, the non-binding endorsement of a second-year budget.

Due to the COVID-19 pandemic and resulting financial crisis, future fiscal projections are significantly more unreliable than in usual circumstances. Significant City staff time is spent preparing the “out-year” (second year) budget. Under the existing cadence, the Mayor would submit a 2021-2022 Proposed Budget in the fall of 2020. Because of the future uncertainty, it would not be a good use of City resources to ask staff to prepare a 2022 Proposed Budget in the summer of 2020. Repealing Resolution 28885 and passing this legislation signals the Mayor and Council’s intent of considering only a 2021 Proposed Budget in the fall of 2020.

Resolution 28885 also contains other terminology and processes that are currently out of date, so this legislation repeals it entirely. It is anticipated that if the Mayor and City Council wish to return to some form of two-year budgeting once financial projecting is more stable, they will advance legislation outlining that process. Until then, the City will continue to follow the process outlined in chapter 35.32A RCW.

2. CAPITAL IMPROVEMENT PROGRAM

Does this legislation create, fund, or amend a CIP Project? ___ Yes **X** No

3. SUMMARY OF FINANCIAL IMPLICATIONS

Does this legislation amend the Adopted Budget? ___ Yes **X** No

Does the legislation have other financial impacts to the City of Seattle that are not reflected in the above, including direct or indirect, short-term or long-term costs?

No.

Is there financial cost or other impacts of *not* implementing the legislation?

If the legislation is not adopted, City employees will spend significant time and resources preparing a 2022 Proposed Budget that will likely not reflect the fiscal realities that the City will face in 2022 due to the higher-than-normal financial uncertainty ahead.

4. OTHER IMPLICATIONS

a. Does this legislation affect any departments besides the originating department?

Yes, staff in every City department will spend time preparing a 2022 Proposed Budget prematurely if this resolution is not adopted.

b. Is a public hearing required for this legislation?

No.

c. Does this legislation require landlords or sellers of real property to provide information regarding the property to a buyer or tenant?

No.

d. Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?

No.

e. Does this legislation affect a piece of property?

No.

f. Please describe any perceived implication for the principles of the Race and Social Justice Initiative. Does this legislation impact vulnerable or historically disadvantaged communities? What is the Language Access plan for any communications to the public?

No direct implications.

g. If this legislation includes a new initiative or a major programmatic expansion: What are the specific long-term and measurable goal(s) of the program? How will this legislation help achieve the program's desired goal(s).

N/A

List attachments/exhibits below: