

# 2021 Seattle City Council Budget Action

Council Budget Action: Agenda

Tab	Action	Option	Version
BLG	022	C	001

**Budget Action Title:** Pass CB 119947 - SDOT Interfund Loan Ordinance

Ongoing: Yes Has Budget Proviso: No

Has CIP Amendment: No Has Attachment: No

Primary Sponsor: Budget Committee

Council Members:

Staff Analyst: Calvin Chow

Council Bill or Resolution: CB 119947

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

## Summary of Dollar Effect

See the following pages for detailed technical information

	2021 Increase (Decrease)	2022 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 recommends passage of CB 119947, which would authorize a \$25 million interfund loan from the Information Technology Fund to the Transportation Fund. The loan would be repaid by December 31, 2024. The City Budget Office (CBO) affirms that the Information Technology Fund has available resources to cover the loan, and the anticipated combined interest due over the four-year term is \$1,147,170.

This proposed interfund loans would provide short-term financing in support of general Seattle Department of Transportation (SDOT) operations. This is intended to help SDOT avoid further 2021 budget reductions as the economy is anticipated to recover from the COVID-19 recession over the next four years. Absent the loan, SDOT would be forced to make additional budget reductions in 2021, including additional cuts to programs and staff which would lead to discontinuity of services and institutional knowledge/capacity.

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The Transportation Fund financial plan includes principal and interest payments to retire the proposed loan by 2024. If Transportation Fund revenues do not recover as projected, SDOT will need to reduce future budget proposals accordingly to preserve funding to repay the interfund loan; this could mean absorbing reductions in projects and/or personnel costs for the next several years.

## Budget Action Transactions

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