



SEATTLE CITY COUNCIL
CENTRAL STAFF

CB 120979 - 2024 Budget Exceptions

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FINANCE, NATIVE COMMUNITIES & TRIBAL GOVERNMENTS COMMITTEE

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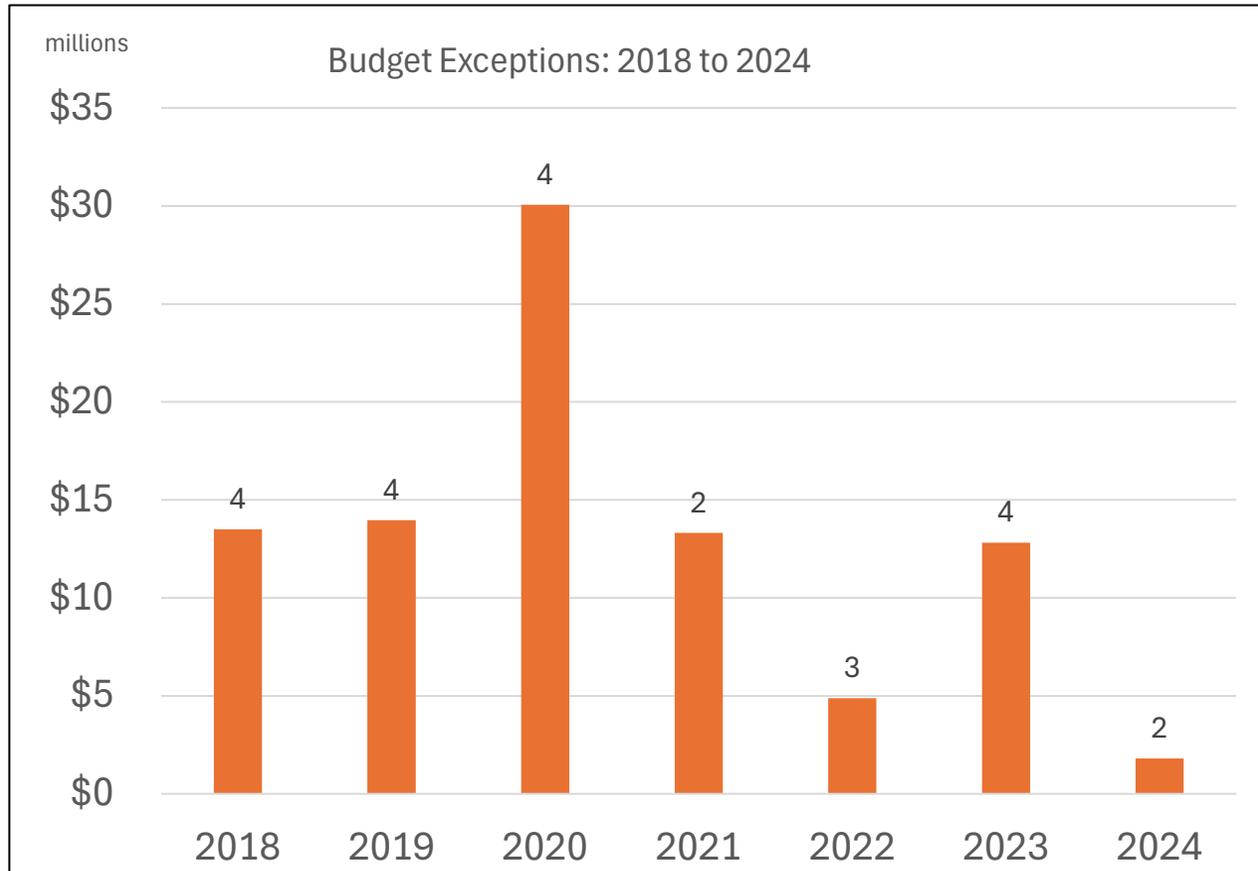
Outline

- Background on Budget Adjustments Sequencing
- Budget Exception Trends
- CB 120979 - 2024 Budget Exceptions

Background on Budget Adjustments Sequencing

1. **Adopted Budget** - Adopted in December prior to start of fiscal year
2. **Carryforwards** – Usually in the first quarter, add funding back for prior year budgeted activities that were not completed
3. **Supplementals** – In mid year, and during fall budget process, add funding for items that were not known at the time the budget was adopted, including acceptance and appropriation of new grants.
4. **Exceptions** – After year end, retroactively adjust prior year's budget to account for spending that exceeded the revised budget.

Budget Exceptions Trends



- Departments with exceptions vary from year to year
- Recent budget monitoring enhancements and changes to CBO Director budget transfer authority focused on reducing exceptions
- Since 2018, exceptions have ranged from a high of \$30M in 2020, to a low of \$1.8M (CB 120979)

CB 120979 – 2024 Budget Exceptions

Total requested increase to ORD 126955 (2024 Adopted Budget) of \$1.8 million.
Includes:

- **Department of Human Resources:** A \$1.1 million Industrial Insurance Fund request in SDHR to pay for unanticipated costs due to high volumes of pensionable claims
- **Law Department:** \$658,000 General Fund request to pay unanticipated costs due to various factors

Requires approval by three-fourths of City Council.

Next Steps

June 4th: Second committee hearing (Select Budget Committee) and possible vote

June 10th: City Council vote on legislation

Upcoming comprehensive supplementals to 2025 Adopted Budget:

- 2024 Carryforward Ordinance (June 4th initial briefing)
- Mid-year supplemental (June-July)
- Mid-year grant acceptance and appropriation (June-July)
- Year-end supplemental/Year-end grant acceptance and appropriation (late-September, with 2026 Proposed Budget)

Questions?