

CITY OF SEATTLE

127266

ORDINANCE

COUNCIL BILL

121033

AN ORDINANCE relating to the financing of the Human Capital Management System project; amending Ordinance 127131 to increase the amount of an existing interfund loan; creating the 2026 Multipurpose LTGO Bond Fund, and allowing it to be a borrowing fund for the loan; amending Ordinance 127156, which adopted the 2025 Budget, including the 2025-2030 Capital Improvement Program (CIP); changing appropriations to the Department of Finance and Administrative Services; revising project allocations and spending plans for certain projects in the 2025-2030 CIP; and ratifying and confirming certain prior acts; all by a 3/4 vote of the City Council.

WHEREAS, the Human Capital Management System (“HCMS”) project is a technology project that funds the planning, design, and replacement of the aging Human Resource Information System (“HRIS”), which includes the Citywide payroll and benefits system, with a new Human Capital Management (“HCM”) system also known as Workday; and

WHEREAS, the HCMS project was approved by the Enterprise Oversight Board (EOB) in February 2020 and is managed by FAS Business Systems division in partnership with the Seattle Department of Human Resources (SDHR) and Seattle Department of Information Technology (ITD); and

WHEREAS, the first phase of the HCMS project went live in September 2024 and cash flow requirements for the project in 2025 exceed the estimates that were developed at the time of the 2025 Adopted Budget; and

WHEREAS, Seattle Municipal Code subsection 5.06.030.C requires City Council approval by ordinance of any interfund loan for a duration of more than 90 days; and

WHEREAS, a revolving interfund loan of \$11.0 million to the 2025 Multipurpose LTGO Bond Fund was authorized in 2024 by Ordinance 127131; and

1 WHEREAS, funds loaned by the Finance and Administrative Services Fund to the 2025
2 Multipurpose LTGO Bond Fund for continuing the work of implementing the HCMS
3 project are anticipated to be repaid from the 2025 limited tax general obligation
4 (“LTGO”) bond issuance in June 2025; and

5 WHEREAS, the Department of Finance and Administrative Services requires additional bridge
6 financing for the HCMS project to complete the implementation of the HCMS project;
7 and

8 WHEREAS, in the normal course of business the City may temporarily lend cash between funds
9 to maintain required balances; and

10 WHEREAS, the Director of Finance and the City Budget Director have determined that City
11 Council may authorize an interfund loan consistent with the Debt Management Policies
12 adopted by Resolution 31553; and

13 WHEREAS, funds loaned by the Finance and Administrative Services Fund to the 2026
14 Multipurpose LTGO Bond Fund are anticipated to be repaid from the 2026 LTGO bond
15 issuance; and

16 WHEREAS, there is sufficient cash in the Finance and Administrative Services Fund to support
17 a revolving interfund loan of up to \$13,200,000 through December 31, 2026 and still
18 meet regular budgeted operating needs; NOW, THEREFORE,

19 **BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:**

20 Section 1. A new 2026 Multipurpose LTGO Bond Fund is created in the City Treasury,
21 into which the principal proceeds and any premium received from the sale and delivery of
22 limited tax general obligation (LTGO) bonds in 2026 shall be deposited for the purpose of
23 paying all or part of the costs of various elements of the City’s Capital Improvement Program

1 and other City purposes approved by ordinance. The fund shall receive earnings on its positive
2 balances and pay interest on its negative balances. The Director of Finance is authorized to create
3 other Accounts or Subaccounts as may be needed.

4 Section 2. Sections 1 and 2 of Ordinance 127131 are amended as follows:

5 Section 1. The Director of Finance is authorized to make a revolving loan of up to
6 ~~((\$11,000,000))~~ \$13,200,000 principal and interest outstanding from the Finance and
7 Administrative Services Fund to the 2025 Multipurpose LTGO Bond Fund and the 2026
8 Multipurpose LTGO Bond Fund to provide bridge financing for the HCMS project that
9 will be financed by authorized limited tax general obligation (LTGO) bond proceeds. The
10 loan is to be repaid no later than December 31, 2026, with interest on the loan at the rate
11 of return of the City's Consolidated Cash Pool. Of the entire principal and interest
12 amount of the loan drawn, \$11,000,000 is intended to be repaid with proceeds from the
13 sale of tax-exempt LTGO bonds in 2025, \$13,200,000 is intended to be repaid with
14 proceeds from the sale of tax-exempt LTGO bonds in 2026.

15 Section 2. The Director of Finance may effectuate the loan authorized in Section 1
16 of this ordinance by transferring cash from the Finance and Administrative Services Fund
17 to the 2025 LTGO Multipurpose Bond Fund and the 2026 Multipurpose LTGO Bond
18 Fund, or by carrying the 2025 Multipurpose LTGO Bond Fund or the 2026 Multipurpose
19 LTGO Bond Fund in a negative cash position, in an amount not to exceed
20 ~~((\$11,000,000))~~ \$13,200,000 until no later than December 31, 2026. The Director of
21 Finance is further authorized to establish, and modify, if necessary, from time to time, a
22 repayment plan and schedule.

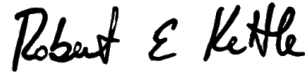
1 Section 3. To pay for necessary capital costs and expenses incurred or to be incurred, but
2 for which insufficient appropriations were made due to causes that could not reasonably have
3 been foreseen at the time the 2025 Budget was adopted, appropriations in the 2025 Adopted
4 Budget and project allocations in the 2025-2030 Adopted Capital Improvement Program are
5 increased as follows:

Item	Dept	Fund	Budget Summary Level/BCL Code	CIP Project Name/ID	CIP Project Appropriation Change
3.1	Finance and Administrative Services	2026 Multipurpose LTGO Bond Fund (37400)	Information Technology (37400-BC-FA-A1IT)	Human Capital Management System (MC-FA-HCMSYS)	\$13,200,000
Net Change					\$13,200,000

6

1 Section 4. This ordinance shall take effect as provided by Seattle Municipal Code
2 Sections 1.04.020 and 1.04.070.

3 Passed by a 3/4 vote of all the members of the City Council the 5th day of
4 August, 2025, and signed by me in open session in authentication of its
5 passage this 5th day of August, 2025.

6 

7 President Pro Tem of the City Council

8 Approved / returned unsigned / vetoed this 7th day of August, 2025.

9 

10 Bruce A. Harrell, Mayor

11 Filed by me this 7th day of August, 2025.

12 

13 Scheereen Dedman, City Clerk

14 (Seal)