



SEATTLE CITY COUNCIL

Select Budget Committee

Agenda

Wednesday, June 5, 2024

9:30 AM

Council Chamber, City Hall
600 4th Avenue
Seattle, WA 98104

Dan Strauss, Chair
Maritza Rivera, Vice-Chair
Joy Hollingsworth, Member
Robert Kettle, Member
Cathy Moore, Member
Tammy J. Morales, Member
Sara Nelson, Member
Rob Saka, Member
Tanya Woo, Member

Chair Info: 206-684-8806; Dan.Strauss@seattle.gov

[Watch Council Meetings Live](#) [View Past Council Meetings](#)

Council Chamber Listen Line: 206-684-8566

The City of Seattle encourages everyone to participate in its programs and activities. For disability accommodations, materials in alternate formats, accessibility information, or language interpretation or translation needs, please contact the Office of the City Clerk at 206-684-8888 (TTY Relay 7-1-1), CityClerk@Seattle.gov, or visit <https://seattle.gov/cityclerk/accommodations> at your earliest opportunity. Providing at least 72-hour notice will help ensure availability; sign language interpreting requests may take longer.



SEATTLE CITY COUNCIL
Select Budget Committee
Agenda
June 5, 2024 - 9:30 AM

Meeting Location:

Council Chamber, City Hall, 600 4th Avenue, Seattle, WA 98104

Committee Website:

<http://www.seattle.gov/council/committees/budget>

This meeting also constitutes a meeting of the City Council, provided that the meeting shall be conducted as a committee meeting under the Council Rules and Procedures, and Council action shall be limited to committee business.

Members of the public may register for remote or in-person Public Comment to address the Council. Details on how to provide Public Comment are listed below:

Remote Public Comment - Register online to speak during the Public Comment period at the meeting at

<https://www.seattle.gov/council/committees/public-comment>

Online registration to speak will begin one hour before the meeting start time, and registration will end at the conclusion of the Public Comment period during the meeting. Speakers must be registered in order to be recognized by the Chair.

In-Person Public Comment - Register to speak on the Public Comment sign-up sheet located inside Council Chambers at least 15 minutes prior to the meeting start time. Registration will end at the conclusion of the Public Comment period during the meeting. Speakers must be registered in order to be recognized by the Chair.

Pursuant to Council Rule VI.C.10, members of the public providing public comment in Chambers will be broadcast via Seattle Channel.

Submit written comments to Councilmembers at Council@seattle.gov

Please Note: Times listed are estimated

A. Call To Order

B. Approval of the Agenda

C. Public Comment

D. Items of Business

1. Revenue Restrictions Overview

Supporting Documents: [Presentation](#)

Briefing and Discussion (45 minutes)

Presenters: Tom Mikesell and Aly Pennucci, Deputy Director, Council Central Staff

2. Revenue Stabilization Work Group Briefing

Supporting Documents: [Presentation](#)

Briefing and Discussion (30 minutes)

Presenters: Aly Pennucci, Deputy Director, Council Central Staff

3. Summary of 2024 Budget Review

Supporting Documents: [Presentation](#)

Briefing and Discussion (75 minutes)

Presenters: Aly Pennucci, Deputy Director, Council Central Staff

E. Adjournment



Legislation Text

File #: Inf 2478, **Version:** 1

Revenue Restrictions Overview



SEATTLE CITY COUNCIL
CENTRAL STAFF

Revenue Restrictions Overview

TOM MIKESELL, ANALYST, ALY PENNUCCI, DEPUTY DIRECTOR
SELECT BUDGET COMMITTEE
JUNE 5, 2024

Outline

- Restrictions on how revenues can be raised
- Restrictions on how revenues can be used
- How the City manages these restrictions
- Mapping revenue restrictions in the budget
- Focus on GF and Special Revenue Funds
- Options and caveats
- Key takeaways

Restrictions on How Revenues Can Be Raised (1 of 2)

Washington State Constitution authorizes the state legislature to grant cities the ability to levy taxes ([Article XI § 12](#)).

- Property taxes: State constitution requires uniformity
- Excise taxes:
 - For example, sales, business & occupations, utility, REET 1&2, admissions tax
 - Other excise taxes are established under broad excise taxation authority (E.g., payroll expense, firearms and ammunition, sweetened beverage tax)

Restrictions on How Revenues Can Be Raised (2 of 2)

In some cases, state law specifically sets the maximum tax the rate, and/or the allowable growth in revenues raised from the tax, for example:

- Property tax: maximum levy rate \$3.60/\$1,000 assessed value, annual growth limits
- Sales taxes: Basic and optional rates set in RCW (total 1 percent)
- B&O tax: 0.2 percent maximum rate without public vote*
- Utility taxes: 6 percent max rate on electric, natural gas, steam or telephone
- Admissions tax: 5 percent maximum rate, limits on tax base
- REET 1&2: 0.50 percent combined rate
- Fees and charges: state law dictates no more than cost recovery, otherwise it is a tax

*Seattle's rates are higher than 0.2 percent due to provision that allows cities with rates higher than 0.2% as of January 1, 1982 to have rates up to 10% higher than their 1/1/82 level.

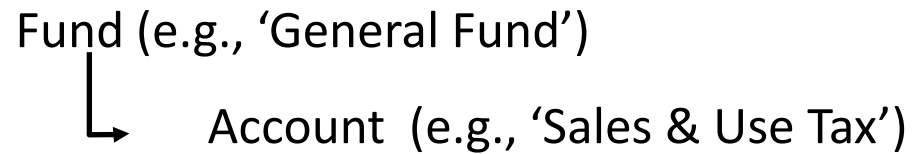
Restrictions on How Revenues Can be Used

Restrictions on how revenues can be used comes from external and internal sources:

- State can limit uses: For example, requires that Commercial Parking Tax be used for transportation purposes, requires that REET I revenues be used for capital projects, etc.
- Grant and service agreements: grants are typical provided for specific projects and/or programs
- Permits and license fees: state law requires that they only cover administrative and regulatory costs
- Voted Ballots: Voted levy lid lifts include intended uses of funds
- City ordinance: Taxes can be earmarked for specific uses

How the City manages these restrictions (1 of 5)

- Restrictions are managed through the City's financial structure, also called the 'general ledger', which align revenues with their legal uses using a system of accounts and funds



- Required by state law
- Use of the account/fund structure helps navigate restrictions at a high level

How the City manages these restrictions (2 of 5)

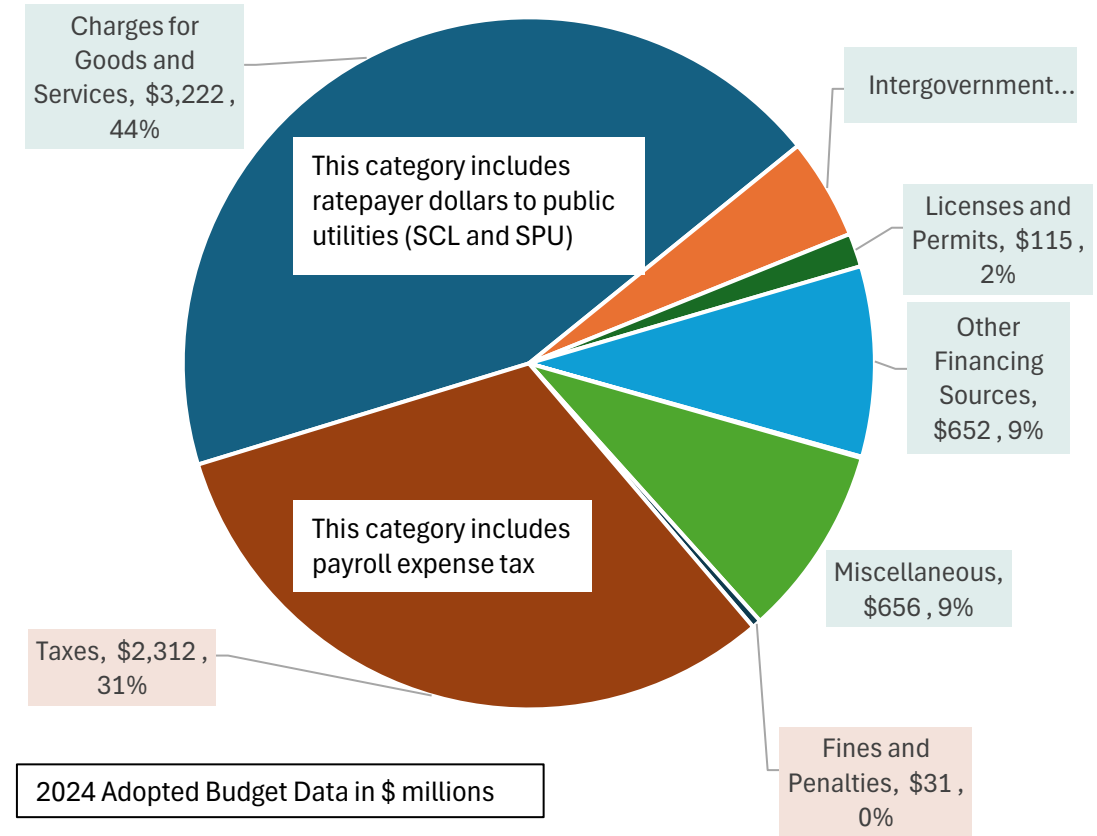
Structuring accounts based on restrictions the City uses the following account categories (**from most restricted to least**):

- Intergovernmental: must be used consistent with funding agreement (e.g., grants)
- User fees and charges: restricted to service/usage cost recovery (e.g., utility rates)
- Licenses and permit fees: restricted to administrative cost recovery (e.g., building permits)
- Other Financing Sources: generally restricted based on source (e.g., bonds, transfers)
- Miscellaneous: predominantly restricted (e.g., interest, payroll contributions)
- Fines and penalties: generally unrestricted, though can be earmarked (e.g., parking fines)
- Taxes: generally unrestricted by state, with exceptions (e.g., Commercial Parking Tax and REET are restricted), but can be earmarked locally (e.g., payroll expense tax, levies)

All revenues must be used for a public purpose.

How the City manages these restrictions (3 of 5)

- About 59 percent of budgeted revenues are in categories with restrictions
- 44 percent is in charges for good and services, which is largely utility ratepayer revenue
- Miscellaneous category (9 percent of total) is also largely restricted
- Of the 31 percent from taxes and fine and penalties, while largely unrestricted by the state, local restrictions may apply. For example, includes JumpStart payroll expense tax

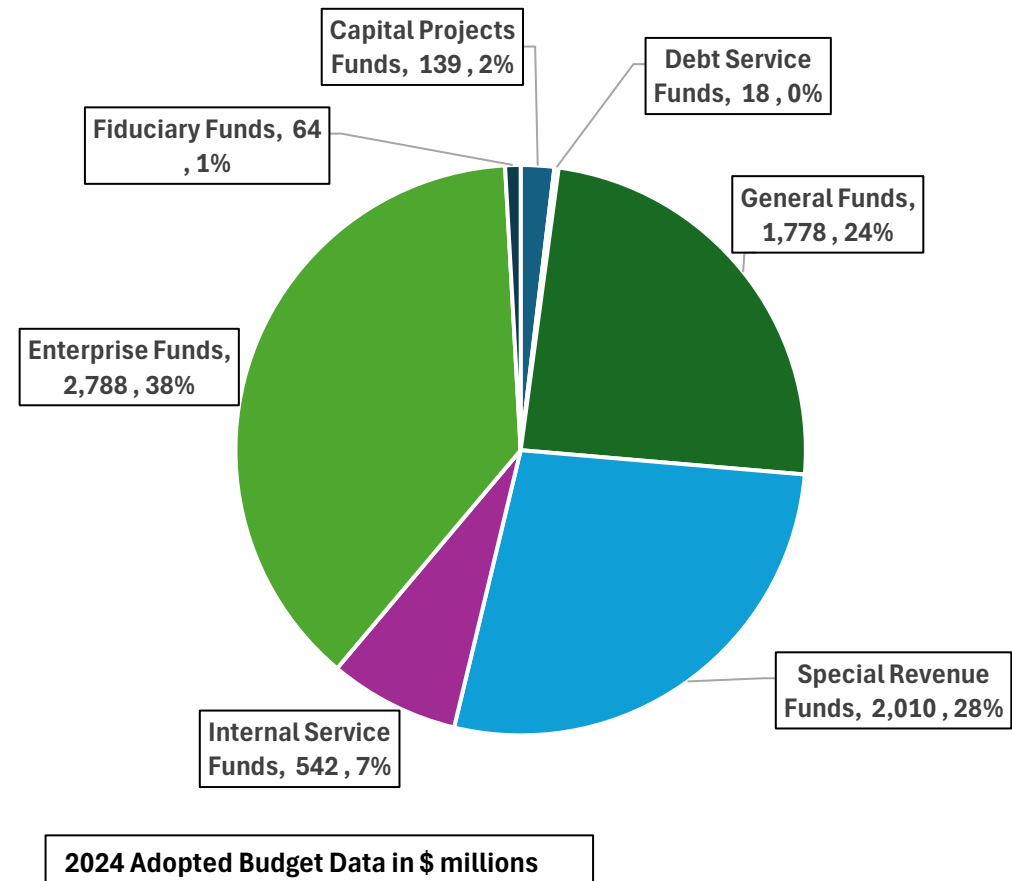


How the City manages these restrictions (4 of 5)

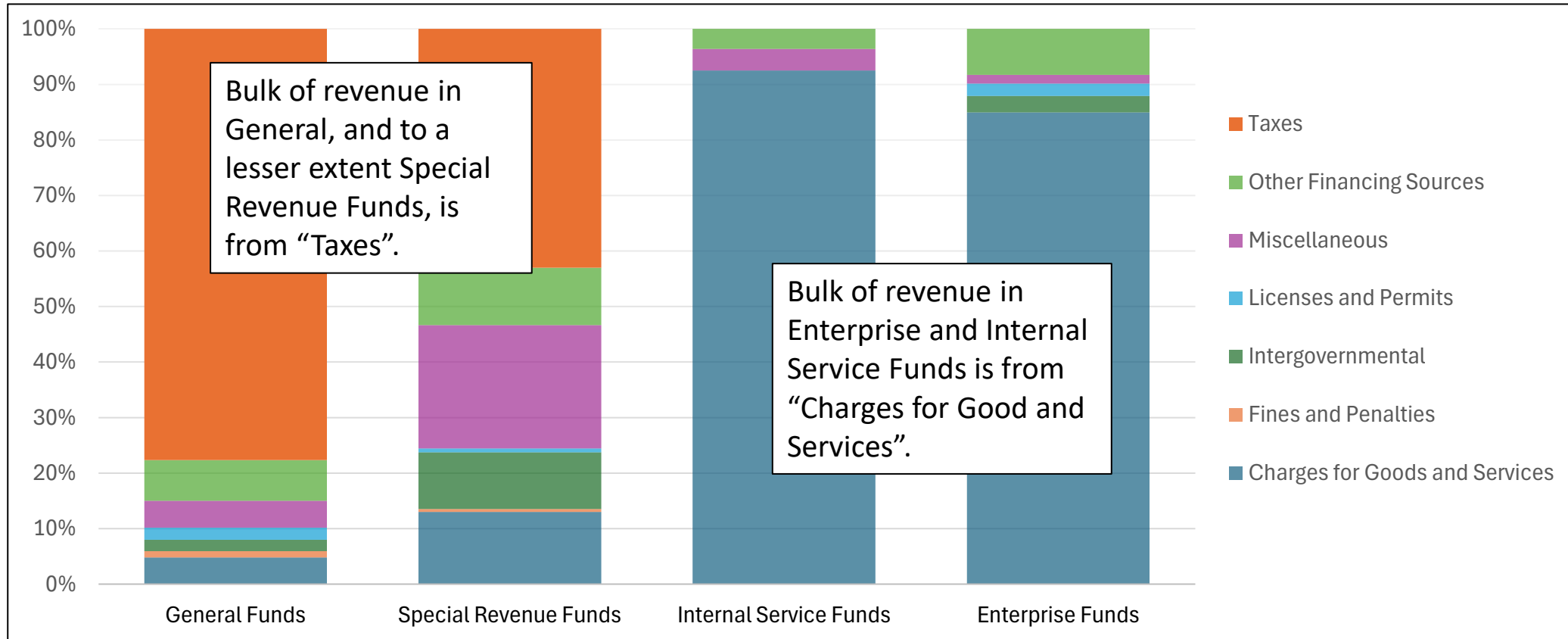
- **Funds** align restricted revenues to their allowed purpose
- There are seven major fund categories in the City's financial structure:
 1. Fiduciary: resources managed in a trustee capacity
 2. Enterprise: resources managed in a self-supporting way (like a business)
 3. Internal Service: account for internal support between departments
 4. Debt Service: resources managed to pay debt
 5. Capital Projects: resources managed to build and maintain infrastructure
 6. Special Revenue: resources managed for a specific public purpose
 7. General: resources available for any legal public purpose.

How the City manages these restrictions (5 of 5)

- Largest category is enterprise funds, representing 38 percent of budgeted revenues (City Light, SPU, SDCI)
- Funds with least restrictions are classified as 'GF', but represent only about 25 percent of the budget (GF, Judgment & Claims, OLS Fund, Sweetened Beverage Tax Fund)
- Special revenue funds, 27 percent of the total, include funds where some restrictions are locally determined, including:
 - Funds with levy-lid lift support (e.g. ,Move Seattle, Low Income Housing, FEPP, Park District, Library, etc.)
 - Excise tax, fine, and franchise fee supported (JumpStart, Arts & Culture, Short-term Rental, School Zone Camera, Cable Franchise Fee Fund)



Mapping Revenue Restrictions in the Budget



Focus on GF and Special Revenue Funds (1 of 3)

- ‘General Fund(s)’: Includes main ‘GF’, Judgment & Claims Fund, Office of Labor Standards Fund, Cumulative Reserve Fund, and Sweetened Beverage Tax Fund
- Besides main GF, only the Judgment and Claims Fund and Sweetened Beverage Tax Fund receive an external source of revenue
 - Judgment and Claims Fund receives judgement and settlement revenue, in addition to transfers from other funds. All resources are used to pay claims, which are largely unavoidable
 - Sweetened Beverage Tax Fund receives excise tax revenues which are allocated to food access and youth development programs by SMC 5.53.055 but could be used for other purpose with an ordinance change

Focus on GF and Special Revenue Funds (2 of 3)

Special Revenue Funds include:

- **Employee benefit management funds:** e.g., Health Care Fund, Industrial Insurance Fund
- **Funds with fee support and/or support with restricted revenues:** e.g., Transportation Fund, Parks Fund
- **Levy funds:** Levy lid lifts are for specific voted purposes. Rate, purpose and structure determined by vote
 - General purpose lid lift is possible, within total rate limits

Focus on GF and Special Revenue Funds (3 of 3)

Special Revenue Funds, include (continued):

- “GF Adjacent” type funds:
 - **JumpStart Fund:** Use of funds restricted by SMC 5.28.055 (see the [Central Staff May 15 presentation](#) to the Select Budget Committee)
 - **Arts and Culture Fund:** Admission tax revenues deposited into this fund restricted by [SMC 5.40.120](#)
 - **Short-term Rental Tax Fund:** per state law, can only be used for investments in affordable housing programs and community-initiated equitable development projects. Local law (per [Ordinance 125872](#)) adds additional requirements for how revenues in this fund may be used

Other funds, including Cable Franchise Fee Fund, and School Safety Traffic and Pedestrian Improvement Fund have local restrictions.

Options and Caveats

- Different decisions can be made for revenues to funds with locally imposed restrictions, including*:
 - JumpStart Fund: \$325M
 - Sweetened Beverage Tax Fund: \$22.5M
 - Arts and Culture Fund: \$23.5M
 - Short Term Rental Tax Fund: \$11.9M
- Changing use restrictions can result in a budget cut if monies budgeted under prior restrictions are used for other programs
- Revising restrictions is expanding the decision frontier for the budget

*All dollar values represent revised 2024 budgeted revenues.

Key Takeaways

- There are state/external restrictions on which revenues the City can collect, and what they can be used for in the budget
- Most of the budget is funded by revenues with restrictions
- Restricted revenues are generally mapped in the budget using accounts and funds; tax revenues generally 'map' to General Funds and Special Revenue Funds.
- Tax revenues are the least externally restricted, though restrictions can be self-imposed
- Self-imposed restrictions are most prevalent in the special revenue funds
- Removing or modifying restrictions is possible through ordinance, with trade-offs

Presentation Attachment 1 - 2024 Adopted Revenues by Department and Fund Category

Questions?

2024 Adopted Revenues by Department and Fund Type	
Department/Fund Category	2024 Adopted
City Budget Office	
General Funds	2,077,063
City Budget Office Total	2,077,063
Civil Service Commissions	
General Funds	245,405
Civil Service Commissions Total	245,405
Community Assisted Response and Engagement	
General Funds	5,185,606
Community Assisted Response and Engagement Total	5,185,606
Department of Education and Early Learning	
General Funds	6,471,728
Special Revenue Funds	95,125,354
Department of Education and Early Learning Total	101,597,082
Department of Finance and Administrative Services	
Capital Projects Funds	2,763,614
Debt Service Funds	17,633,626
Fiduciary Funds	5,681,552
General Funds	60,918,072
Internal Service Funds	249,720,806
Special Revenue Funds	995,661
Department of Finance and Administrative Services Total	337,713,331
Department of Neighborhoods	
General Funds	1,970,647
Department of Neighborhoods Total	1,970,647
Employees' Retirement System	
Fiduciary Funds	10,699,553
Employees' Retirement System Total	10,699,553
Ethics and Elections Commission	
Special Revenue Funds	3,000,000
Ethics and Elections Commission Total	3,000,000
Finance General	
Capital Projects Funds	101,859,890
Debt Service Funds	-
General Funds	1,470,523,907
Special Revenue Funds	352,699,352
Finance General Total	1,925,083,149

Note: General Funds are unrestricted, and Special Revenue Funds are restricted, though some restrictions are locally imposed. Fiduciary, Enterprise, Internal Service, Debt Service, and Capital Projects Funds are generally restricted.

2024 Adopted Revenues by Department and Fund Type	
Department/Fund Category	2024 Adopted
Firefighter's Pension	
Fiduciary Funds	23,078,930
Firefighter's Pension Total	23,078,930
Human Services Department	
Special Revenue Funds	88,122,399
Human Services Department Total	88,122,399
Law Department	
General Funds	13,427,945
Law Department Total	13,427,945
Legislative Department	
General Funds	5,451,459
Legislative Department Total	5,451,459
Office for Civil Rights	
General Funds	803,897
Office for Civil Rights Total	803,897
Office of Arts and Culture	
Special Revenue Funds	25,173,265
Office of Arts and Culture Total	25,173,265
Office of Economic Development	
General Funds	2,155,000
Special Revenue Funds	-
Office of Economic Development Total	2,155,000
Office of Emergency Management	
General Funds	1,570,993
Office of Emergency Management Total	1,570,993
Office of Hearing Examiner	
General Funds	20,000
Office of Hearing Examiner Total	20,000
Office of Housing	
Special Revenue Funds	216,922,380
Office of Housing Total	216,922,380
Office of Immigrant and Refugee Affairs	
General Funds	1,567,452
Office of Immigrant and Refugee Affairs Total	1,567,452

Note: General Funds are unrestricted, and Special Revenue Funds are restricted, though some restrictions are locally imposed. Fiduciary, Enterprise, Internal Service, Debt Service, and Capital Projects Funds are generally restricted.

2024 Adopted Revenues by Department and Fund Type	
Department/Fund Category	2024 Adopted
Office of Intergovernmental Relations	
General Funds	1,541,853
Office of Intergovernmental Relations Total	1,541,853
Office of Labor Standards	
General Funds	7,776,458
Office of Labor Standards Total	7,776,458
Office of Planning and Community Development	
General Funds	430,000
Office of Planning and Community Development Total	430,000
Office of Sustainability and Environment	
General Funds	3,864,427
Office of Sustainability and Environment Total	3,864,427
Office of the City Auditor	
General Funds	848,697
Office of the City Auditor Total	848,697
Office of the Employee Ombud	
General Funds	446,483
Office of the Employee Ombud Total	446,483
Office of the Mayor	
General Funds	500,000
Office of the Mayor Total	500,000
Police Relief and Pension	
Fiduciary Funds	22,689,313
Police Relief and Pension Total	22,689,313
Seattle Center	
Capital Projects Funds	10,691,000
Special Revenue Funds	35,216,516
Seattle Center Total	45,907,516
Seattle City Light	
Enterprise Funds	1,272,320,544
Seattle City Light Total	1,272,320,544
Seattle Department of Construction and Inspections	
Enterprise Funds	88,674,806
General Funds	390,000
Seattle Department of Construction and Inspections Total	89,064,806

Note: General Funds are unrestricted, and Special Revenue Funds are restricted, though some restrictions are locally imposed. Fiduciary, Enterprise, Internal Service, Debt Service, and Capital Projects Funds are generally restricted.

2024 Adopted Revenues by Department and Fund Type	
Department/Fund Category	2024 Adopted
Seattle Department of Human Resources	
Fiduciary Funds	2,000,000
General Funds	26,729,000
Special Revenue Funds	396,017,011
Seattle Department of Human Resources Total	424,746,011
Seattle Department of Transportation	
Capital Projects Funds	20,000,000
General Funds	47,136,109
Special Revenue Funds	536,529,633
Seattle Department of Transportation Total	603,665,742
Seattle Fire Department	
General Funds	81,263,931
Seattle Fire Department Total	81,263,931
Seattle Information Technology Department	
Internal Service Funds	291,886,526
Special Revenue Funds	5,492,212
Seattle Information Technology Department Total	297,378,738
Seattle Municipal Court	
General Funds	18,009,452
Seattle Municipal Court Total	18,009,452
Seattle Parks and Recreation	
Capital Projects Funds	3,670,468
General Funds	-
Special Revenue Funds	160,453,915
Seattle Parks and Recreation Total	164,124,383
Seattle Police Department	
General Funds	16,521,267
Seattle Police Department Total	16,521,267
Seattle Public Library	
Special Revenue Funds	94,611,691
Seattle Public Library Total	94,611,691
Seattle Public Utilities	
Enterprise Funds	1,427,227,867
Seattle Public Utilities Total	1,427,227,867

Note: General Funds are unrestricted, and Special Revenue Funds are restricted, though some restrictions are locally imposed. Fiduciary, Enterprise, Internal Service, Debt Service, and Capital Projects Funds are generally restricted.



Legislation Text

File #: Inf 2477, **Version:** 1

Revenue Stabilization Work Group Briefing



SEATTLE CITY COUNCIL
CENTRAL STAFF

Revenue Stabilization Work Group Briefing

ALY PENNUCCI, DEPUTY DIRECTOR

SELECT BUDGET COMMITTEE

JUNE 5, 2024

2022 Statement of Legislative Intent

(SLI) FG-002-B-001 (2022)

Expressed the City Council's commitment to work with the Mayor to identify options for making Seattle's tax structure more equitable and generating new revenue for city priorities

The SLI requested that this work include empaneling a task force of community experts to develop a report listing progressive revenue options

Revenue Stabilization Work Group (RSWG)

- Established in October 2022 in response to SLI FG-002-B-2022
- Included 13 members and two co-chairs who met nine times between October 2022 and August 2023.
- After considering a list of 63 different revenue ideas, the Workgroup created a short list of nine review options for further consideration by the Council and the Mayor:
 1. Changes to the JumpStart Payroll Expense Tax
 2. City-level Capital Gains Tax
 3. High CEO Pay Ratio Tax
 4. Vacancy Tax
 5. Progressive Real Estate Excise Tax
 6. Estate Tax
 7. Inheritance Tax
 8. Congestion Tax
 9. Income Tax

RSWG continued

- Final report was released in August 2023
- 2022-2023 Finance and Housing Committee briefing on the final report August 10, 2023
- At that meeting, Central Staff noted that:
 - Changes to the JumpStart tax and a City-level capital gains tax had legislation ready, making them best positioned to be considered on a shorter timeframe
 - A High CEO Pay Ratio tax may be the other option technically most ready to pursue
 - Former Finance and Housing Chair Mosqueda requested Central Staff prepare for potential consideration of RSW Options 1-3, during the 2023 budget deliberations:
 1. Changes to the JumpStart Payroll Expense Tax
 2. City-level Capital Gains Tax
 3. High CEO Pay Ratio Tax

Changes to the JumpStart Payroll Expense Tax

- Ordinance 126933 (passed in November 2023): increased the rates for all businesses subject to the payroll expense tax to increase annual revenues from this tax by \$20 million
- The stated purpose for this increase was to provide additional funding for the Department of Education and Early Learning (DEEL) to expand educational supports at Seattle Public Schools, prioritizing mental health services including, but not limited to, school-based mental health counselors and culturally specific and responsive programming from community-based organizations
 - The 2024 Adopted Budget appropriated \$20 million to DEEL for this purpose
 - Additional legislation is necessary before DEEL can fully implement this appropriation

City-level Capital Gains Tax

Council Bill 120601, introduced in 2023, proposed a local Capital Gains Excise Tax that:

- Used the same structure as the state capital gains tax, with different rate (2%)
- Two percent excise tax on gains from the sale of non-exempt capital assets
- At that time, the Forecast Office estimated that a local Capital Gains Excise tax could generate about \$19 million annually. Both the Forecast Office and Central Staff highlighted an unusually high degree of uncertainty in the estimate and that annual revenues could fluctuate widely above or below this estimate
- Ultimately, the 2023 City Council did not take action on this proposal in 2023. The legislation is still available for the 2024 City Council to consider.

High CEO Pay Ratio

Central Staff began analysis to understand options for a Seattle High CEO Pay Ratio Tax.

Areas of inquiry included:

- Review of similar taxes enacted in other cities: Portland and San Francisco
- Review data available to help implement and administer the tax
- Consider options for how to structure a local tax:
 - Surtax on the JumpStart Payroll Expense Tax
 - New stand-alone tax structure with a unique nexus to business activity in Seattle
 - Adapt B&O tax, which requires processes unique to Washington State
- Initial work identified that the clearest path to implementation would not generate significant new revenues; additional work is needed to determine if other options are feasible

Questions?



Legislation Text

File #: Inf 2479, **Version:** 1

Summary of 2024 Budget Review



SEATTLE CITY COUNCIL
CENTRAL STAFF

Summary of 2024 Budget Review

ALY PENNUCCI, DEPUTY DIRECTOR
SELECT BUDGET COMMITTEE
JUNE 5, 2024

Recap: Select Committee Budget Discussions

April 17

Projected GF Deficit & 2019-2024 Budget Review Preview

- How did we get here?
- What are our tools?
- 2019-2024 Citywide budget changes and key takeaways

May 1

2019-2024 Budget Review & Examination Overview

- 2019-2024 Budget Review document walk through
- Departmental budget review by policy areas

May 15

GF Financial Plan Update & JumpStart Fund Briefing

- Updated estimates of the 2023 actual, and 2024 revised revenues, spending and planning reserves
- Updated GF revenue and inflation forecasts
- JumpStart legislative background, spending history, current spending authority, and key policy questions/takeaways

June 5

Revenue Restrictions Overview

- Restrictions on raising, using, and City management of revenue
- General and Special Revenue Funds focus

Key Takeaways: General Fund Deficit (April 17)

How did we get here:

- Following a long period of low inflation and high annual revenue growth, the pandemic caused a sudden revenue decline while costs continued to grow.
- National supply chain pressures drove inflation to levels not seen in decades, while real GF revenue growth began to stagnate in real terms
- Since 2019, 79 percent of GF budget growth was largely to fund baseline and technical changes to the base budget due to rapid inflation.
- Ongoing GF revenues have not kept pace, leading to a structural deficit plugged with one-time measures (fund balance, temporary interfund transfers, underspend)

What are our tools?

- A mix of fiscal tools available for consideration in the fall budget deliberations. This includes reviewing: ongoing expenditures, revenues, and fund policies.

Key Takeaways: GF Financial Plan Update (May 15)

- Due to settled labor contract costs exceeding planning estimates, revised 2024 ending unreserved fund balance is negative.
- Projected ongoing GF budget gap grew to \$258M, due to same factors
- An updated plan will be transmitted with the proposed budget.

2019-2024 Budget Review Document (April 17 & May 1)



Citywide budget changes over a five-year period (2019-2024)



Review of every City department's budget at the Budget Summary Level (BSL), fund, expense category, and Budget Program level (for most); highlighting budget changes between 2019 and 2024

Key Takeaways: 2019-2024 Budget Review

Since 2019, total City budget grew by \$1.7 billion or 29%.

- An average growth of 5.8% per year, primarily driven by expenditure increases responding to historically high inflation rates (CPI growth during this period averaged ~5%)
- ~50% of total budget growth across all funds from 4 departments: SPU, OH, SCL, and HSD, followed by growth in non-departmental budgets (Finance General) and internal service departments (SDHR and FAS)
- The introduction of the JSF Payroll Expense Tax represents 19% of the \$1.7 billion increase. Departments that administer the majority of JSF resources experienced the largest % increase (OH, OED, OPCD, and OSE)
- GF budget grew by \$256 million or 26%, an average of 5.2% per year. The majority (51%) was in HSD and SFD, followed by growth in Finance General, Parks, SDOT and SPU

Key Takeaways: JumpStart Fund Briefing (May 15)

- Policies on the use of the JS Fund were updated several times since initial adoption, responding to emerging needs, trying to balance the original spending plan adopted in 2020, and avoiding reductions to GF programs and services
- JS Tax revenues have performed better than initial estimates, but continue to be volatile due to correlation between stock market tech sector performance and tax base
- As in past years, there are several policy options for the Council to consider this year, about how or if the JS Fund will be used to help address the projected GF deficit

Key Policy Question:

Should JS Tax revenues continue to be used to help address the projected GF deficit?

Key Takeaways: Revenue Overview (June 5)

- There are state/external restrictions on which revenues the City can collect, and what they can be used for in the budget
- Most of the budget is funded by revenues with restrictions
- Self-imposed restrictions are most prevalent in the special revenue funds
- Removing or modifying restrictions is possible through ordinance, with trade-offs
- After considering 63 different revenue ideas, the 2023 Revenue Stabilization Workgroup identified nine for further consideration by the Council and the Mayor:
 1. Changes to the JumpStart Payroll Expense Tax
 2. City-level Capital Gains Tax
 3. High CEO Pay Ratio Tax
 4. Vacancy Tax
 5. Progressive Real Estate Excise Tax
 6. Estate Tax
 7. Inheritance Tax
 8. Congestion Tax
 9. Income Tax

Next Steps

Upcoming Finance or Select Budget Committee Meeting Briefings:

- Midyear Supplemental Budget legislation (July/August)
- Economic and Revenue Forecast Update (August)
- Fall Budget Process (August)

Councilmembers continue reviewing budget information provided to date and consider policy options in preparation for the receiving the Mayor's 2025-2026 Proposed Budget on September 24.

Questions?