

**CITY OF SEATTLE**

**RESOLUTION 31976**

A RESOLUTION modifying financial policies for the Arts and Culture Fund and superseding Resolution 31507.

WHEREAS, in 2011, the City Council and Mayor established financial policies for the Arts Account of the General Subfund in Resolution 31327; and

WHEREAS, in June 2013, the Office of Arts and Cultural Affairs submitted a written report and made recommendations to update those financial policies; and

WHEREAS, in 2014, the City Council and Mayor amended financial policies for the Arts Account of the General Subfund in Resolution 31507; and

WHEREAS, later in 2014, the City Council and Mayor renamed the Office of Arts and Cultural Affairs to the Office of Arts and Culture in Ordinance 124539; and

WHEREAS, in late 2017, the City's accounting systems and restructures were reimplemented, which led to the Arts Account of the General Subfund becoming the Arts and Culture Fund by Ordinance 125492; and

WHEREAS, the Mayor and City Council wish now to modify the financial policies governing the Arts and Culture Fund and to remove outdated references to the former name of the office and account; NOW, THEREFORE,

**BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SEATTLE, THE  
MAYOR CONCURRING, THAT:**

Section 1. Resolution 31507 is superseded.

Section 2. The Mayor and Council adopt the modified financial policies governing the Arts and Culture Fund by Attachment A to this resolution.



**CITY OF SEATTLE**  
**ARTS & CULTURE FUND FINANCIAL POLICIES**

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1. Retention of Admission Tax revenues: The Office of Arts & Culture (ARTS) shall establish an operating reserve equivalent to 20% of Arts & Culture Fund annual operating expenses using Admission Tax revenues deposited into the Arts & Culture Fund for the sole use of ARTS. This reserve shall be retained to address any short-term fluctuations in Admission Tax revenues that undermine ARTS' ability to fund those programs and activities outlined in Seattle Municipal Code (SMC) Section 5.40.120.
2. Timing and reserve amount: The reserve fund balance should have a balance equivalent to 20% of Arts & Culture Fund annual operating expenses budgeted for a given year. If the operating reserve drops below the minimum reserve amount, it shall be replenished within a 2-year time period. The reserve will be adjusted annually with the budget.
3. Use of the reserve: The reserve shall be maintained solely for the purposes of supporting ARTS programs outlined in SMC 5.40.120 and shall not be used or directed to any other program or account.