

2021 Seattle City Council Budget Action

Council Budget Action: Agenda

| Tab | Action | Option | Version |
|-----|--------|--------|---------|
| FG | 001 | A | 002 |

Budget Action Title: Add \$150,000 GF to FG to Create an Independent Economics and Forecasting Office and Impose Two Provisos

Ongoing: No Has Budget Proviso: Yes

Has CIP Amendment: No Has Attachment: No

Primary Sponsor: Lorena González

Council Members: Tammy Morales, Alex Pedersen, Dan Strauss, Andrew Lewis

Staff Analyst: Tom Mikesell

Council Bill or Resolution:

| 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) |
|------------------------------------|--------------------------|--------------------------|
| General Fund | | |
| General Fund Revenues | \$0 | |
| General Fund Expenditures | \$150,000 | |
| Net Balance Effect | \$(150,000) | |
| Total Budget Balance Effect | \$(150,000) | |

Budget Action Description:

This Council Budget Action would add \$150,000 GF to Finance General (FG) as a reserve for partial year costs of establishing an independent economic and forecasting office through separate legislation. The funding is intended to be combined with personnel costs for positions currently included in the City Budget Office budget in 2021 to support the initial setup and partial year costs of an independent economic and forecasting office. Similar to the King County Office of Economic and Financial Research and the Washington State Economic Revenue Forecast Council staff, this office would provide confidential economic and tax research and resources to the Council and Mayor. Further, it would independently develop economic and revenue forecast information and present forecast results to the Mayor and Council and the same time, establishing a level playing field for receiving this information.

Legislation establishing the office will be introduced separately, and the new office's final operating

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budget, including staffing and other operating considerations, will be based on the body of work included in that legislation. To restrict use of funds pending passage of legislation establishing the office, this budget action would impose two provisos on appropriations to CBO and FG in the budget. The action would impose the following provisos:

"Of the appropriation in the 2021 Budget for the City Budget Office (CBO), \$330,000 may not be spent until an ordinance is created approving the establishment of an independent forecasting office."

"Of the appropriation in the 2021 Budget for Finance General (FG), \$150,000 may not be spent until an ordinance is created approving the establishment of an independent forecasting office."

Budget Action Transactions

| # | Transaction Description | Position Title | Number of Positions | FTE | Dept | BSL | Fund | Year | Revenue Amount | Expenditure Amount |
|---|--|----------------|---------------------|-----|------------|------------------------------------|----------------------|------|----------------|--------------------|
| 1 | Independent Economic and Revenue Forecast Office reserve | | 0 | 0 | FG - FG000 | FG - BO-FG-2QD00 - General Purpose | 00100 - General Fund | 2021 | \$0 | \$150,000 |