

# 2023 Carryforward (CB 120774) & Exceptions (CB 120773) Legislation

EDIN SISIC, ANALYST FINANCE, NATIVE COMMUNITIES & TRIBAL GOVERNMENTS COMMITTEE MAY 1, 2024

#### **Overview**

#### 1. Background on Budget Adjustment Process

- Adopted budget
- Automatic carryforwards (administrative)
- Supplementals
- Exceptions

#### 2. Council Bill 120774 - 2023 Carryforward (Legislated)

Add funding back for 2023 budgeted activities that were not completed in 2023

#### 3. Council Bill 120773 – 2023 Exceptions

• Retroactively adjust 2023 budget to account for spending that has exceeded the revised budget after all automatic and legislated appropriation increases.

#### 4. Next Steps

## **Background - Budget Adjustment Process**

#### Adopted Budget

- <u>RCW 35.32A.050</u> late November of each year City Council passes annual budget
- Passed on November 21, 2023, <u>Ordinance 126955</u> authorized a 2024
  Adopted Budget from all sources of \$7.8 billion
- One-year of capital improvements program investments

## Background - Budget Adjustment Process (Cont'd)

#### **Automatic Carryforward**

- RCW 35.32A.080 non-lapsing capital appropriations
- Grants and administrative
- Encumbrances
- Total of \$1.8B of automatic carryforward into 2024 across all funds, two thirds of which is in capital budget lines

## Background - Budget Adjustment Process (Cont'd)

#### Supplementals & Exceptions

- Authority provided by RCW 35.32A.060
  - Standalone Specific/single subject
  - Comprehensive Affects multiple funds and departments
    - Carryforward
    - Exceptions
    - Mid-year/Year-end
    - Grant Acceptance & Appropriation

## **CB 120774 – 2023 Carryforward**

Total requested carryforward of \$201.4 million across all funds, including:

- Office of Planning and Community Development: \$53.5 million (107 percent) increase\* across several funds, \$51.4 million of which is for Equitable Development Initiative awards that have not yet been contracted
- Office of Housing: \$72 million (13 percent) overall increase, \$71.5 of which is JumpStart Fund for Multifamily Housing
- **Finance General:** \$28.6 million (8 percent) increase across several funds, \$27.3 million of which is a GF appropriation for Participatory Budgeting program

<sup>\*</sup>Increase compared to the 2024 Adopted Budget. This is essentially transferring 2023 budget authority into 2024.

#### **CB 120773 – 2023 Exceptions**

Total requested increase of \$12.8 million. Notable items include:

- **Department of Human Resources (SDHR):** A \$8.3 million Industrial Insurance Fund request in SDHR to pay for unanticipated costs due to high volumes of pensionable claims
- Seattle Public Utilities (SPU): \$3.3 million Solid Waste Fund request driven by higher-thanexpected inflationary adjustments to SPU's major service contracts with Solid Waste collectors

## **Next Steps**

May 15: Second Committee hearing (Select Budget Committee) and possible vote on CB 120773 & CB 120774

Amendment requests are due by May 6<sup>th</sup>

Additional upcoming comprehensive supplementals

- Mid-year supplemental
- Mid-year and year-end grant acceptance and appropriation
- Year-end supplemental

## Questions?