



# SEATTLE CITY COUNCIL

## Finance, Native Communities, and Tribal Governments Committee

### Agenda

Wednesday, May 21, 2025

9:30 AM

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

Dan Strauss, Chair  
Maritza Rivera, Vice-Chair  
Robert Kettle, Member  
Sara Nelson, Member  
Rob Saka, Member

Chair Info: 206-684-8806; [Dan.Strauss@seattle.gov](mailto:Dan.Strauss@seattle.gov)

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**SEATTLE CITY COUNCIL**  
**Finance, Native Communities, and Tribal**  
**Governments Committee**  
**Agenda**  
**May 21, 2025 - 9:30 AM**

**Meeting Location:**

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

**Committee Website:**

<https://seattle.gov/council/committees/finance-native-communities-and-tribal-governments>

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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.

Please submit written comments to all Councilmembers four hours prior to the meeting at [Council@seattle.gov](mailto:Council@seattle.gov) or at Seattle City Hall, Attn: Council Public Comment, 600 4th Ave., Floor 2, Seattle, WA 98104.

*Please Note: Times listed are estimated*

**A. Call To Order**

**B. Approval of the Agenda**

**C. Public Comment**

**D. Items of Business**

1.     [CB 120979](#)     **AN ORDINANCE amending Ordinance 126955, which adopted the 2024 Budget, including the 2024-2029 Capital Improvement Program (CIP); changing appropriations to various departments and budget control levels; and ratifying and confirming certain prior acts; all by a 3/4 vote of the City Council.**

Supporting Documents:     [Summary and Fiscal Note Presentation](#)

**Briefing and Discussion**

**Presenters:** Ben Noble, Director, and Tom Mikesell, Council Central Staff

2.     **Advance Repayment of 2014 Bonds**

Supporting Documents:     [Draft Advance Repayment of 2014 Bonds Legislation Presentation](#)

**Briefing and Discussion**

**Presenters:** Dan Eder, Interim Director, City Budget Office; Jamie Carnell, Director, Office of City Finance; Tom Mikesell, Council Central Staff

**E. Adjournment**





## Legislation Text

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File #: CB 120979, Version: 1

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## CITY OF SEATTLE

## ORDINANCE \_\_\_\_\_

## COUNCIL BILL \_\_\_\_\_

AN ORDINANCE amending Ordinance 126955, which adopted the 2024 Budget, including the 2024-2029 Capital Improvement Program (CIP); changing appropriations to various departments and budget control levels; and ratifying and confirming certain prior acts; all by a 3/4 vote of the City Council.

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

Section 1. In order to pay for necessary costs and expenses incurred or to be incurred in 2024, but for which insufficient appropriations were made due to causes that could not reasonably have been foreseen at the time of making the 2024 Budget, appropriations for the following items in the 2024 Budget are increased from the funds shown, as follows:

Item	Department	Fund	Budget Summary Level/ BCL Code	Amount
1.1	Seattle Department of Human Resources	Industrial Insurance Fund (10110)	Industrial Insurance Services (10110-BO-HR-INDINS)	\$1,142,111
1.2	Law Department	General Fund (00100)	Civil (00100-BO-LW-J1300)	\$657,932
<b>Total</b>				<b>\$1,800,043</b>

Section 2. Any act consistent with the authority of this ordinance taken after its passage and prior to its effective date is ratified and confirmed.

Section 3. This ordinance shall take effect as provided by Seattle Municipal Code Sections 1.04.020 and 1.04.070.

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

\_\_\_\_\_  
  
President \_\_\_\_\_ of the City Council

Approved /    returned unsigned /    vetoed this \_\_\_\_ day of \_\_\_\_\_, 2025.

\_\_\_\_\_  
  
Bruce A. Harrell, Mayor

Filed by me this \_\_\_\_\_ day of \_\_\_\_\_, 2025.

\_\_\_\_\_  
  
Scheereen Dedman, City Clerk

(Seal)

## **SUMMARY and FISCAL NOTE**

<b>Department:</b>	<b>Dept. Contact:</b>	<b>CBO Contact:</b>
City Budget Office	Caleb Wagenaar	Caleb Wagenaar

### **1. BILL SUMMARY**

**Legislation Title:** AN ORDINANCE amending Ordinance 126955, which adopted the 2024 Budget, including the 2024-2029 Capital Improvement Program (CIP); changing appropriations to various departments and budget control levels; and ratifying and confirming certain prior acts; all by a 3/4 vote of the City Council.

**Summary and Background of the Legislation:** This legislation will implement various adjustments to the 2024 Adopted Budget that are needed to complete the City’s accounting process for the year.

The proposed legislation includes discrete actions that amend the 2024 Adopted Budget by adding budget authority to various departments to address unanticipated expenses which resulted in spending exceeding a budget control level’s budget authority:

**Item 1.1:** This item provides a retroactive appropriation increase of \$1,142,111 for the Seattle Human Resources Department to pay unanticipated expenses in the Industrial Insurance Services Budget Control Level (10110-BO-HR-INDINS) due to high volumes of pension payouts from the fund.

**Item 1.2:** This item provides a retroactive appropriation increase of \$657,932 for the Law Department to pay unanticipated costs in the Civil Budget Control Level (00100-BO-LW-J1300). These costs were driven by delays in the City's Criminal Case Management System (CCMS) project, equitable pay for law school interns and challenges related to the PeopleSoft – Workday connection. The Department will work more closely with City Budget Office (CBO) monthly to forecast and monitor expenditures to ensure this does not reoccur. Specifically, Law Department will launch the CCMS in March 2025 which will reduce the need for staff backfill and commit to adhering to the department’s budget appropriation.

### **2. CAPITAL IMPROVEMENT PROGRAM**

**Does this legislation create, fund, or amend a CIP Project?** ☐ Yes ☒ No

### **3. SUMMARY OF FINANCIAL IMPLICATIONS**

**Does this legislation have financial impacts to the City?** ☒ Yes ☐ No

Expenditure Change (\$); General Fund	2024	2025	2026 est.	2027 est.	2028 est.
	\$657,932	\$0	\$0	\$0	\$0
Expenditure Change (\$); Other Funds	2024	2025	2026 est.	2027 est.	2028 est.
	\$1,142,111	\$0	\$0	\$0	\$0

Revenue Change (\$); General Fund	2024	2025	2026 est.	2027 est.	2028 est.
	\$0	\$0	\$0	\$0	\$0
Revenue Change (\$); Other Funds	2024	2025	2026 est.	2027 est.	2028 est.
	\$0	\$0	\$0	\$0	\$0

### 3.a. Appropriations

☒ This legislation adds, changes, or deletes appropriations.

Item	Department	Fund	Budget Summary Level/ BCL Code	Amount
1.1	Seattle Department of Human Resources	Industrial Insurance Fund (10110)	Industrial Insurance Services (10110-BO-HR-INDINS)	\$1,142,111
1.2	Law Department	General Fund (00100)	Civil (00100-BO-LW-J1300)	\$657,932
<b>Total</b>				<b>\$1,800,043</b>

### 3.d. Other Impacts

Does the legislation have other financial impacts to The City of Seattle, including direct or indirect, one-time or ongoing costs, that are not included in Sections 3.a through 3.c? If so, please describe these financial impacts.

No.

If the legislation has costs, but they can be absorbed within existing operations, please describe how those costs can be absorbed. The description should clearly describe if the absorbed costs are achievable because the department had excess resources within their existing budget or if by absorbing these costs the department is deprioritizing other work that would have used these resources.

Please describe any financial costs or other impacts of not implementing the legislation. The same objectives could not be achieved without this legislation.

Please describe how this legislation may affect any City departments other than the originating department.

This legislation provides retroactive budget appropriations for the Seattle Department of Human Resources and Law Department to cover unanticipated spending above previously authorized 2024 appropriations.



#### 4. OTHER IMPLICATIONS

- a. **Is a public hearing required for this legislation?**  
No.
- b. **Is publication of notice with The Daily Journal of Commerce and/or The Seattle Times required for this legislation?**  
No.
- c. **Does this legislation affect a piece of property?**  
No.
- d. **Please describe any perceived implication for the principles of the Race and Social Justice Initiative.**
- i. **How does this legislation impact vulnerable or historically disadvantaged communities? How did you arrive at this conclusion? In your response please consider impacts within City government (employees, internal programs) as well as in the broader community.**  
N/A
  - ii. **Please attach any Racial Equity Toolkits or other racial equity analyses in the development and/or assessment of the legislation.**  
N/A
  - iii. **What is the Language Access Plan for any communications to the public?**  
N/A
- e. **Climate Change Implications**
- i. **Emissions: How is this legislation likely to increase or decrease carbon emissions in a material way? Please attach any studies or other materials that were used to inform this response.**  
N/A
  - ii. **Resiliency: Will the action(s) proposed by this legislation increase or decrease Seattle's resiliency (or ability to adapt) to climate change in a material way? If so, explain. If it is likely to decrease resiliency in a material way, describe what will or could be done to mitigate the effects.**  
No.
- f. **If this legislation includes a new initiative or a major programmatic expansion: What are the specific long-term and measurable goal(s) of the program? How will this legislation help achieve the program's desired goal(s)? What mechanisms will be used to measure progress towards meeting those goals?**  
N/A

- g. Does this legislation create a non-utility CIP project that involves a shared financial commitment with a non-City partner agency or organization?**

No.

## **5. ATTACHMENTS**

**Summary Attachments:** None.



# **CB 120979 - 2024 Budget Exceptions**

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TOM MIKESELL, ANALYST  
FINANCE, NATIVE COMMUNITIES & TRIBAL GOVERNMENTS COMMITTEE  
MAY 21, 2025

# Outline

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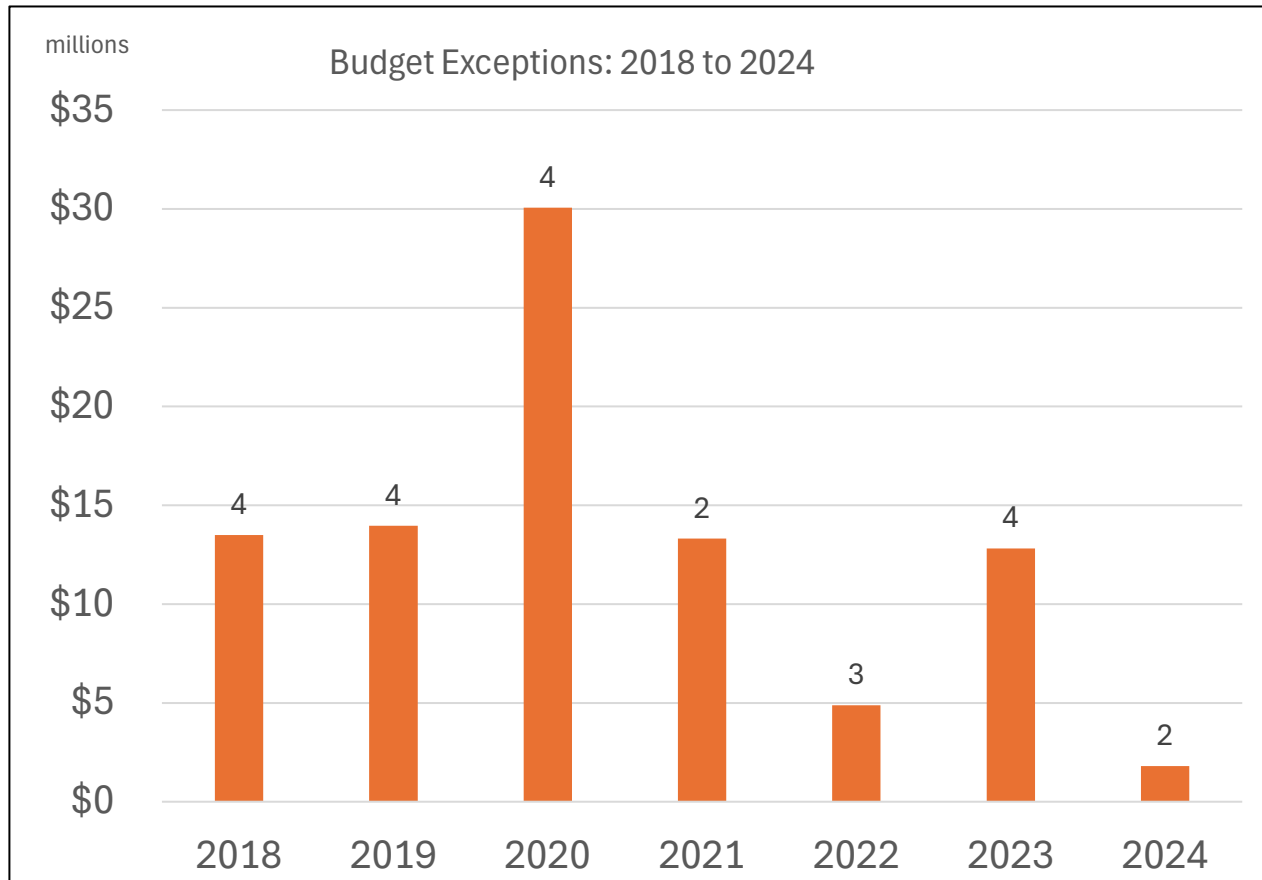
- Background on Budget Adjustments Sequencing
- Budget Exception Trends
- CB 120979 - 2024 Budget Exceptions

# Background on Budget Adjustments Sequencing

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1. **Adopted Budget** - Adopted in December prior to start of fiscal year
2. **Carryforwards** – Usually in the first quarter, add funding back for prior year budgeted activities that were not completed
3. **Supplementals** – In mid year, and during fall budget process, add funding for items that were not known at the time the budget was adopted, including acceptance and appropriation of new grants.
4. **Exceptions** – After year end, retroactively adjust prior year's budget to account for spending that exceeded the revised budget.

# Budget Exceptions Trends



- Departments with exceptions vary from year to year
- Recent budget monitoring enhancements and changes to CBO Director budget transfer authority focused on reducing exceptions
- Since 2018, exceptions have ranged from a high of \$30M in 2020, to a low of \$1.8M (CB 120979)

# CB 120979 – 2024 Budget Exceptions

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Total requested increase to ORD 126955 (2024 Adopted Budget) of \$1.8 million.  
Includes:

- **Department of Human Resources:** A \$1.1 million Industrial Insurance Fund request in SDHR to pay for unanticipated costs due to high volumes of pensionable claims
- **Law Department:** \$658,000 General Fund request to pay unanticipated costs due to various factors

Requires approval by three-fourths of City Council.

# Next Steps

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**June 4<sup>th</sup>:** Second committee hearing (Select Budget Committee) and possible vote

**June 10<sup>th</sup>:** City Council vote on legislation

## **Upcoming comprehensive supplementals to 2025 Adopted Budget:**

- 2024 Carryforward Ordinance (June 4<sup>th</sup> initial briefing)
- Mid-year supplemental (June-July)
- Mid-year grant acceptance and appropriation (June-July)
- Year-end supplemental/Year-end grant acceptance and appropriation (late-September, with 2026 Proposed Budget)



# Questions?



## Legislation Text

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**File #:** Inf 2683, **Version:** 1

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Advance Repayment of 2014 Bonds

**CITY OF SEATTLE**

**ORDINANCE \_\_\_\_\_**

**COUNCIL BILL \_\_\_\_\_**

..title

AN ORDINANCE amending Ordinance 127156, which adopted the 2025 Budget, including the 2025-2030 Capital Improvement Program (CIP); changing appropriations to various departments and budget control levels, and from various funds in the Budget; and ratifying and confirming certain prior acts; all by a 3/4 vote of the City Council.

..body

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

Section 1. In order to pay for the redemption prior to maturity of certain currently outstanding limited tax general obligation bonds of the City, appropriations for the following items in the 2025 Budget are increased from the funds shown, as follows:

Item	Department	Fund	Budget Summary Level/ BCL Code	Amount
3.1	Finance General	2017 LTGO Taxable Bond Fund (36410)	Appropriation to Special Funds (36410-BO-FG-2QA00)	\$472,000
		2018 LTGO Taxable Bond Fund (36510)	Appropriation to Special Funds (36510-BO-FG-2QA00)	\$547,000
		2019 LTGO Taxable Bond Fund (36610)	Appropriation to Special Funds (36610-BO-FG-2QA00)	\$314,000
		2021 LTGO Taxable Bond Fund (36820)	Appropriation to Special Funds (36820-BO-FG-2QA00)	\$537,000
		Unrestricted Cumulative Reserve Fund (00164)	Appropriation to Special Funds (00164-BO-FG-2QA00)	\$1,345,000
		REET I Capital Fund (30010)	Appropriation to Special Funds (30010-BO-FG-2QA00)	\$285,000
Total				\$3,500,000

1           The funds appropriated in this section are to be applied to the call, payment, and  
2 redemption prior to maturity of the City's remaining outstanding Limited Tax General  
3 Obligation Bonds, 2014, originally issued pursuant to Ordinance 124341, and to the payment of  
4 the costs of carrying out the foregoing plan of redemption, in order to permit a change in the use  
5 of certain bond financed property in accordance with federal tax law. The Director of Finance is  
6 authorized and directed to take all actions as the Director may deem necessary or convenient to  
7 carry out the foregoing plan of redemption, including without limitation, giving appropriate  
8 notices to bondholders and establishing a defeasance escrow, if necessary.

9           Section 2. Any act consistent with the authority of this ordinance taken after its passage  
10 and prior to its effective date is ratified and confirmed.

Section 3. This ordinance shall take effect as provided by Seattle Municipal Code  
Sections 1.04.020 and 1.04.070.

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

\_\_\_\_\_  
President \_\_\_\_\_ of the City Council

Approved /      returned unsigned /      vetoed this \_\_\_\_ day of \_\_\_\_\_, 2025.

\_\_\_\_\_  
Bruce A. Harrell, Mayor

Filed by me this \_\_\_\_\_ day of \_\_\_\_\_, 2025.

\_\_\_\_\_  
Scheereen Dedman, City Clerk

(Seal)

# City of Seattle Redemption of 2014 LTGO Bonds for Aurora Stone

Dan Eder, Interim Director, City Budget Office

Jamie Carnell, City Finance Director, Office of City Finance

Finance, Native Communities & Tribal Governments Committee  
May 21, 2025

5/21/2025

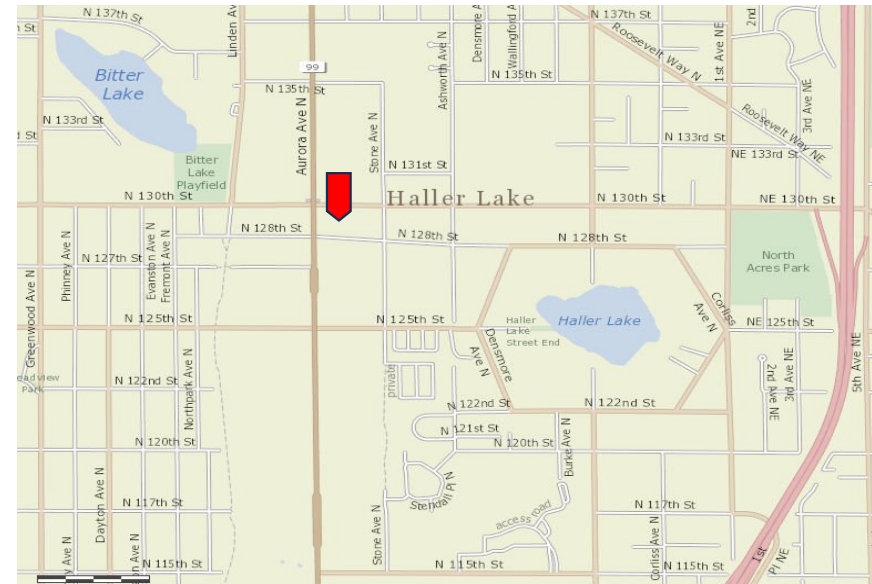
Office of City Finance



**City of Seattle**

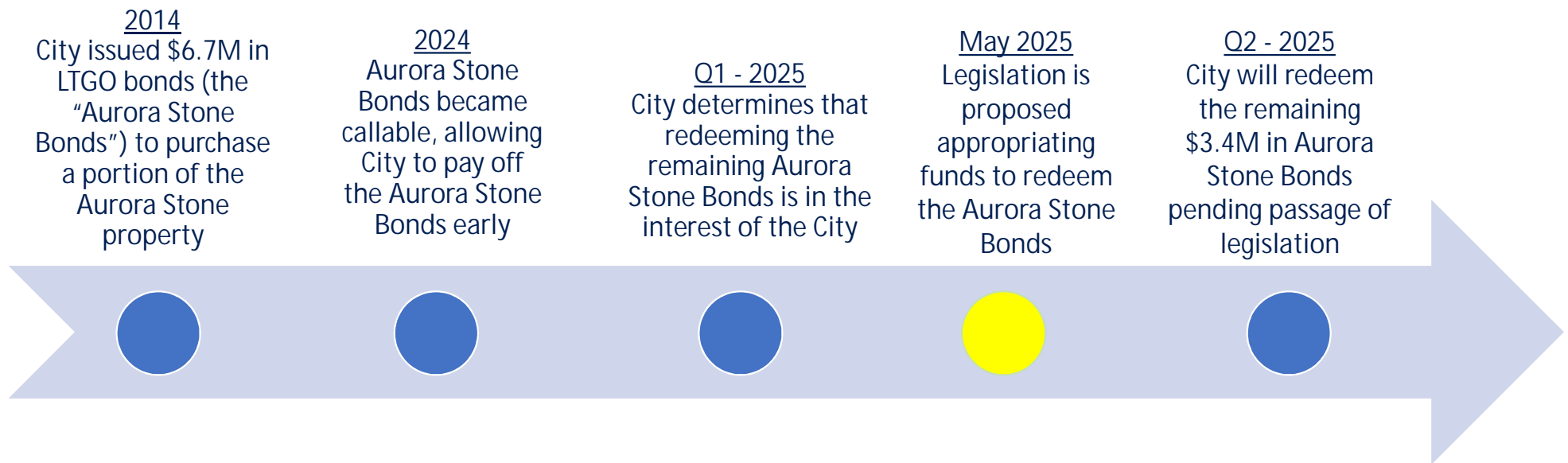
# Overview

- In 2014, the City issued \$6.7M in tax-exempt Limited Tax General Obligation (“LTGO”) bonds to purchase a property (“Aurora Stone”) intending to develop a new North Precinct, which has not proceeded since that time
- The City temporarily leased the site to a private business pending a permanent decision on use of the property
- The City has identified an interest in redeeming (paying off) the remaining \$3.4 million in principal on the bonds
  - This will eliminate debt service on the bonds, saving ~\$75K annually in interest expense otherwise paid through 2034 (totaling \$675K over 9 years), and will provide flexibility in how the site is used going forward



12800 Aurora Ave N, Seattle, WA 98133

# Timeline





# Funding Sources to Redeem the Bonds

- Interest Earnings on Taxable LTGO Bonds
  - Interest earnings remaining in various taxable LTGO bond funds
- Unrestricted Cumulative Reserve Funds
  - 2024 revenue above forecast
- REET I Capital Fund
  - 2024 revenue above forecast

Fund Name and Number	Type	Amount
2017 LTGO Taxable Bond Fund	Interest Earnings	\$472,000
2018 LTGO Taxable Bond Fund	Interest Earnings	\$547,000
2019 LTGO Taxable Bond Fund	Interest Earnings	\$314,000
2021 LTGO Taxable Bond Fund	Interest Earnings	\$537,000
Unrestricted Cumulative Reserve Fund (UCRF)	UCRF Funds	\$1,345,000
REET I Capital Fund	REET Revenue	\$285,000
TOTAL *		\$3,500,000

\*Will redeem principal remaining on the bonds, plus interest

# Financial Benefits

- Eliminates the City's future debt service payments on these bonds that would be paid primarily by REET I through 2034
- This results in a savings of \$75K per year that otherwise would be paid as interest on the bonds, for a total of \$675K in debt service savings through maturity of the bonds in 2034



# Legislation Summary

Does the Council authorize the legislation appropriating funds to redeem the Bonds?

If the legislation is approved:

- ✓ The City will redeem the bonds shortly after passage of the legislation, and debt service on these bonds will conclude
- ✓ The City will realize interest savings in the funds budgeted to pay debt service through 2034 (REET I and Unrestricted Cumulative Reserve Fund)

If the legislation is not approved:

- ✓ The City will not redeem the bonds, and the City will continue to pay the debt service on the bonds



# Questions?

5/21/2025

Office of City Finance



**City of Seattle**