



SEATTLE CITY COUNCIL  
**CENTRAL STAFF**

# Balancing Discussion Draft

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FINANCE AND HOUSING

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## Difference between 2020 Estimates and 2022 Forecast

	<u>2023</u>	<u>2024</u>
2020 Jumpstart Revenue Estimate	222,958	227,417
August 2022 Jumpstart Forecast	294,120	311,470
<b>Difference</b>	<b>71,162</b>	<b>84,053</b>
<i>% Change</i>	<i>32%</i>	<i>37%</i>

Change in policy would:

- Only allow a transfer up to these maximum amounts IF the GF revenues are projected to be less than projected expenditures; and
- Require, upon completion of each fiscal year accounting, automatic transfer/payback to the JS Fund using any ending GF fund balance, less encumbrances, carryforwards as authorized by ordinance or state law, and planned reserve amounts reflected in the adopted budget, that is in excess of the latest revised estimate of the unreserved ending fund balance for that closed fiscal year (as published in the adopted budget).

# Example: JS Fund Spend Plan

<i>Amounts in \$1,000s</i>		<u>2022</u>	<u>2023</u>	<u>2024</u>
<b>Total Projected Revenue</b>	-	<b>279,640</b>	<b>294,120</b>	<b>311,470</b>
<b><u>JS Fund Policy Categories</u></b>				
<b>Transfer to the General Fund</b>	-	85,605	71,162	84,053
<b>Administration &amp; Evaluation*</b>	<b>5%</b>	172	11,148	11,371
<b>Housing &amp; Services</b>	<b>62%</b>	97,177	138,234	140,998
<b>Equitable Development Initiative</b>	<b>9%</b>	14,300	20,066	20,468
<b>Economic Revitalization</b>	<b>15%</b>	22,209	33,444	34,113
<b>Green New Deal</b>	<b>9%</b>	14,335	20,066	20,468
<b>TOTAL SPENDING</b>	<b>100%</b>	<b>233,797</b>	<b>294,120</b>	<b>311,470</b>
<i>Fund Balance</i>	-	45,844	45,843	45,843

## 2022 Revised Budget GF Financial Plan with Example Strategy

<i>Amounts in \$1,000s</i>	<b>2022 Revised (August)</b>	<b>2023 Projected</b>	<b>2024 Projected</b>	<b>2025 Projected</b>	<b>2026 Projected</b>
<b>Starting Balance</b>	273,327	204,197	122,397	62,087	(76,952)
<b>Revenues</b>	1,745,610	1,519,120	1,557,310	1,613,970	1,682,370
<b>Expenditures</b>	1,834,740	1,660,385	1,710,224	1,761,818	1,807,663
<b>1% 2022 Underspend + 0.5% Base Expenditure Reduction in 2023</b>	20,000	8,302	8,551	8,809	9,038
<b>Maximum JS Fund Transfer</b>		71,162	84,053		
<b>New GF Spending (one-time)</b>		(20,000)			
<b>Operating Surplus (Deficit)</b>	(69,130)	(81,800)	(60,310)	(139,039)	(116,255)
<b>Ending Budgetary Fund Balance</b>	204,197	122,397	62,087	(76,952)	(193,207)
<b>Planning Reserves</b>	(60,383)	(60,383)	(60,383)	(60,383)	(60,383)
<b>Ending Unreserved Fund Balance</b>	<b>143,815</b>	<b>62,014</b>	<b>1,704</b>	<b>(137,335)</b>	<b>(253,590)</b>