

1. Expenditures from the Revenue Stabilization Account shall require an ordinance. An assessment of the City's long-term financial outlook should be considered when making decisions about how much to expend from the Revenue Stabilization Account, including a projection of how Revenue Stabilization Account resources are expected to be used and at least partially replenished over the following four years.

2. The Revenue Stabilization Account shall be funded by (a) transfers by ordinance, (b) automatic transfer of 0.25 percent of General Subfund tax revenues forecast for 2012 and the automatic transfer of 0.50 percent of forecast General Subfund tax revenues for each year thereafter, and (c) upon completion of fiscal year accounting, automatic transfer of 50 percent of the ending General Subfund 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). A transfer as described in subsection 5.80.020.B.2.c shall occur at that time the City completes its accounting for the closed fiscal year.

3. For purposes of this subsection 5.80.020.B, the phrase "tax revenues" means all tax revenues deposited into the General Subfund, including but not limited to, tax revenue from the regular property tax levy, business and occupation tax, utility business taxes, the portion of admissions tax not dedicated to the Arts Account, leasehold excise tax, gambling taxes, and sales and use taxes.

4. At no time shall the balance of the Revenue Stabilization Account exceed 5 percent of the General Subfund tax revenues forecast underlying the adopted budget for the current fiscal year. Automatic transfers of funds into the Revenue Stabilization Account as required by subsection 5.80.020.B.2 shall be made only to the extent that the fund balance for the Revenue Stabilization Account does not exceed 5 percent of the tax revenues forecast for the current fiscal year, and the automatic transfer of any amount that would result in such an excess shall be suspended.

5. When the Revenue Stabilization Account balance reaches 5 percent of forecast tax revenues,

and automatic transfers are suspended, the amount that would have been automatically transferred into the Revenue Stabilization Account had the Revenue Stabilization Account not reached its maximum-allowed fund balance should be used to pay for existing obligations rather than to fund new programs.

6. The transfer of 0.50 percent of General Subfund tax revenues and 50 percent of General Subfund year-end balances that is described in subsection 5.80.020.B.2 shall be temporarily suspended when revenue forecasts underlying the adopted budget anticipate a nominal decline in General Subfund revenues, as compared to the revenue forecasts underlying the adopted budget for the fiscal year immediately prior. Automatic transfers shall remain suspended until positive revenue growth is reflected in the revenue forecasts underlying the adopted budget.

7. In the first year during which positive revenue growth is again forecast, the automatic transfer of tax revenues described in subsection 5.80.020.B.2.b shall be limited to 0.25 percent, followed by an automatic transfer of 0.50 percent in each year thereafter, unless the City again forecasts a nominal decline in General Subfund tax revenues or the value of the Revenue Stabilization Account reaches 5 percent of forecast tax revenues.

8. The automatic transfer of 0.25 percent or 0.50 percent of General Subfund tax revenues that is described in subsections 5.80.020.B.2.b and 5.80.020.B.7 shall also be temporarily suspended in any year that an expenditure from the Revenue Stabilization Account is authorized in the adopted budget.

9. The requirements of this subsection 5.80.020.B, other than the requirement that expenditures be authorized by ordinance, are suspended for the 2016 budget year.

Section 2. This ordinance shall take effect and be in force 30 days after its approval by the Mayor, but if not approved and returned by the Mayor within ten days after presentation, it shall take effect as provided by Seattle Municipal Code Section 1.04.020.

Passed by the City Council the ____ day of _____, 2015, and
signed by me in open session in authentication of its passage this
____ day of _____, 2015.

President _____ of the City Council

Approved by me this ____ day of _____, 2015.

Edward B. Murray, Mayor

Filed by me this ____ day of _____, 2015.

Monica Martinez Simmons, City Clerk

(Seal)