

## **SUMMARY and FISCAL NOTE**

<b>Department:</b>	<b>Dept. Contact:</b>	<b>CBO Contact:</b>
City Budget Office	Candice Foote	Candice Foote

### **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 from various funds in the Budget; 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 increases 2024 appropriations to City departments to allow for increased costs of labor resulting from executed agreements with City unions and related legislation for non-represented employees. When the 2024 Budget was considered and adopted in 2023, these labor actions were outstanding and not included in the 2024 base budget. Appropriations to City departments for 2023 retroactive payments and the first half of 2024 were included in Ordinance 127067.

This legislation includes appropriations to account for the second 50 percent of the forecasted wage increases for 2024 for all agreements listed above. It also contains funding for retroactive and 2024 current year costs for settle Local 77 contracts that were passed after CBO was preparing mid-year legislation.

The ordinances authorizing the increased costs contained in this bill are:

- Ordinance 126974, which authorized the execution of a collective bargaining agreement between The City and the International Association of Fire Fighters, Local 27.
- Ordinance 127004, which authorized the execution of a collective bargaining agreement between The City and the Washington State Council of County and City Employees, American Federation of State, County and Municipal Employees, Local 21SP.
- Ordinance 127005, which authorized the execution of collective bargaining agreements between the City and certain City unions in the Coalition of City Unions.
- Ordinance 127006, which extended annual wage increases to non-represented City employees.
- Ordinance 127023, which authorized the execution of a collective bargaining agreement between The City and the Washington State Council of County and City Employees, American Federation of State, County and Municipal Employees, Local 21SP beginning January 1, 2023.
- Ordinance 127042, which authorized the execution of a collective bargaining agreement between The City of Seattle and the International Brotherhood of Electrical Workers Local No. 77 Construction Maintenance Equipment Operator Unit.
- Ordinance 127043, which authorized the execution of a collective bargaining agreement between The City of Seattle and the International Brotherhood of Electrical Workers Local Union No. 77 Information Technology Professionals' Unit.

- Ordinance 127047, which authorized the execution of collective bargaining agreements between The City of Seattle and the International Brotherhood of Electrical Workers Local 77.

City Executive departments have been asked to deploy a number of strategies to limit current year (2024) spending to relieve pressure on the budget. One strategy includes the implementation of a healthcare holiday. This legislation includes budgetary adjustments because of lower than expected healthcare billing for all of the departments.

A summary of labor contract related appropriation changes and healthcare holiday related changes by department and fund can be found in Summary Attachments A and B.

## 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 (\$);	2024	2025 est.*	2026 est.	2027 est.	2028 est.
General Fund	\$29,675,375	195,553,199	227,039,953	227,039,953	227,039,953
Expenditure Change (\$);	2024	2025 est.	2026 est.	2027 est.	2028 est.
Other Funds	\$69,420,787	163,977,342	218,639,713	218,639,713	218,639,713

\*2025 and beyond columns correspond to the amounts from the Mid-year legislation plus 25 and 26 assumptions for Local 77 CBAs. Figures remain flat for 2027 and 2028 as nearly all contracts will be open by 2027.

### 3.a. Appropriations

☒ This legislation adds, changes, or deletes appropriations.

**Appropriations Notes:** See the ordinance for details on the BCL level appropriations.

### 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.

The ongoing (2025-2028) financial impacts related to this legislation are included in the 2025-26 Proposed Budget and Six-Year Financial Plans.

**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.**

The costs associated with this legislation cannot be absorbed with existing appropriations. The City has held planning reserves for each fund to provide the resources for the appropriations in this legislation.

**Please describe any financial costs or other impacts of *not* implementing the legislation.**

City departments will not have the appropriations necessary to implement the requirements of the labor agreements described in Section 1.

#### **4. OTHER IMPLICATIONS**

- a. Please describe how this legislation may affect any departments besides the originating department.**

Yes, this legislation impacts most departments' 2024 budgets. The budget appropriation contained in this legislation provides appropriation authority to implement the labor agreements described in Section 1.

- b. Does this legislation affect a piece of property? If yes, please attach a map and explain any impacts on the property. Please attach any Environmental Impact Statements, Determinations of Non-Significance, or other reports generated for this property.**

No

- c. 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.**

This legislation provides the appropriations necessary to implement previously approved labor agreements. Please see implications for the principles of the Race and Social Justice Initiative section in the Summary and Fiscal Note for the listed ordinances.

- 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

**d. 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.

N/A

- e. **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

**5. CHECKLIST**

- ☐ Is a public hearing required?
- ☐ Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required?
- ☒ If this legislation changes spending and/or revenues for a fund, have you reviewed the relevant fund policies and determined that this legislation complies?
- ☐ Does this legislation create a non-utility CIP project that involves a shared financial commitment with a non-City partner agency or organization?

**6. ATTACHMENTS**

**Summary Attachments:**

Summary Attachment A – Summary of AWI Changes and Healthcare Holiday Changes by Department

Summary Attachment B – Summary of AWI Changes and Healthcare Holiday by Fund

Summary of AWI Changes and Healthcare Holiday Changes by Department

Department	AWI Need - Jul 1 to Dec 30, 2024	2024 Healthcare Rate "Holiday"	Appropriation Change
City Budget Office	329,526	(171,073)	158,453
Civil Service Commissions	31,494	(12,518)	18,976
Community Assisted Response and Engagement	-	(630,050)	(630,050)
Community Police Commission	56,357	(29,208)	27,149
Department of Education and Early Learning	823,516	(479,839)	343,677
Department of Finance and Administrative Services	5,578,074	(2,340,780)	3,237,294
Department of Neighborhoods	439,390	(258,696)	180,694
Employees' Retirement System	290,997	(129,348)	161,649
Ethics and Elections Commission	69,719	(41,725)	27,994
Finance General	2,744,500	(2,078,795)	665,705
Human Services Department	3,056,971	(1,614,763)	1,442,208
Law Department	1,258,413	(796,950)	461,463
Legislative Department	683,884	(400,561)	283,323
Office for Civil Rights	218,197	(125,175)	93,022
Office of Arts and Culture	246,280	(154,383)	91,897
Office of Economic and Revenue Forecasts	16,915	(12,518)	4,397
Office of Economic Development	339,910	(208,626)	131,284
Office of Emergency Management	103,654	(62,588)	41,066
Office of Hearing Examiner	38,362	(20,863)	17,499
Office of Housing	403,217	(221,143)	182,074
Office of Immigrant and Refugee Affairs	75,579	(50,070)	25,509
Office of Inspector General for Public Safety	144,209	(95,968)	48,241
Office of Intergovernmental Relations	70,728	(33,380)	37,348
Office of Labor Standards	233,261	(146,038)	87,223
Office of Planning and Community Development	327,475	(187,763)	139,712
Office of Sustainability and Environment	285,289	(200,281)	85,008
Office of the City Auditor	81,310	(37,553)	43,757
Office of the Employee Ombud	41,220	(25,035)	16,185
Office of the Mayor	290,749	(150,210)	140,539
Police Relief and Pension	38,434	(16,690)	21,744
Seattle Center	1,764,508	(863,710)	900,798
Seattle City Light	49,359,040	(7,010,714)	42,348,326
Seattle Department of Construction and Inspections	3,611,019	(1,860,941)	1,750,078
Seattle Department of Human Resources	718,098	(433,941)	284,157
Seattle Department of Transportation	13,220,384	(4,324,385)	8,895,999

Summary Att A – Summary of AWI Changes and Healthcare Holiday Changes by Department  
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<b>Department</b>	<b>AWI Need - Jul 1 to Dec 30, 2024</b>	<b>2024 Healthcare Rate "Holiday"</b>	<b>Appropriation Change</b>
Seattle Fire Department	12,284,363	(6,174,909)	6,109,454
Seattle Information Technology Department	11,808,610	(2,595,304)	9,213,306
Seattle Municipal Court	1,721,416	(826,158)	895,258
Seattle Parks and Recreation	4,395,929	(4,310,207)	85,722
Seattle Police Department	22,305,885	(8,081,441)	14,224,444
Seattle Public Library	3,317,436	(2,566,096)	751,340
Seattle Public Utilities	11,626,475	(5,574,235)	6,052,240
<b>Grand Total</b>	<b>154,450,793</b>	<b>(55,354,631)</b>	<b>99,096,162</b>

Summary of AWI Changes and Healthcare Holiday Changes by Fund

<b>Fund Code</b>	<b>Fund</b>	<b>AWI Need - Jul 1 to Dec 30, 2024</b>	<b>2024 Healthcare Rate "Holiday"</b>	<b>Appropriation Change</b>
00100	General Fund	54,112,135	(24,436,760)	29,675,375
00155	Sweetened Beverage Tax Fund	190,956	(123,126)	67,830
00164	Unrestricted CRS Fund	-	260	260
00190	Office of Labor Standards Fund	233,261	(146,038)	87,223
10200	Park And Recreation Fund	(0)	(742,032)	(742,032)
10398	Move Seattle Levy Fund	99,020	-	99,020
10410	Library Fund	2,368,305	(1,916,067)	452,238
10800	Seattle Streetcar Operations	9,018	-	9,018
11410	Seattle Center Fund	868,835	(328,698)	540,137
11430	Center McCaw Hall Fund	305,187	-	305,187
12010	Municipal Arts Fund	61,205	(43,457)	17,748
12200	Short-Term Rental Tax Fund	31,320	(19,759)	11,561
12300	Election Vouchers Fund	23,220	(14,686)	8,534
12400	Arts and Culture Fund	185,075	(110,926)	74,149
13000	Transportation Fund	11,122,509	(4,324,385)	6,798,124
14500	Payroll Expense Tax	526,522	(189,312)	337,210
14510	Opioid Settlement Proceed Fund	16,222	(15,221)	1,001
16200	Human Services Fund	1,660,020	(839,674)	820,346
16600	Office of Housing Fund	255,173	(167,734)	87,439
17871	Fam. Edu. Pres. Promise Levy	588,025	(351,947)	236,078
18200	2019 Library Levy Fund	949,131	(650,029)	299,102
18500	School Safety Traffic and Pedestrian Improvement Fund	56,418	(14,965)	41,453
19710	Seattle Park District Fund	0	(1,401,279)	(1,401,279)
19900	Transportation Ben. Dist.Fund	99,736	-	99,736
30010	REET I Capital Fund	20,605	(16,794)	3,811
36000	King County Parks Levy Fund	13,522	-	13,522
41000	Light Fund	49,359,040	(7,010,714)	42,348,326
43000	Water Fund	4,670,797	(2,396,921)	2,273,876
44010	Drainage and Wastewater Fund	4,545,976	(2,508,406)	2,037,570
45010	Solid Waste Fund	1,805,267	(668,908)	1,136,359
48100	Construction and Inspections	3,143,324	(1,843,210)	1,300,114
50300	FAS Fund	5,042,255	(2,320,077)	2,722,178
50410	Information Technology Fund	11,759,283	(2,595,304)	9,163,979
61030	Employees' Retirement Fund	290,997	(129,348)	161,649
61060	Police Relief & Pension Fund	38,434	(16,690)	21,744
67600	FileLocal Agency Fund	-	(12,422)	(12,422)
<b>Grand Total</b>		<b>154,450,793</b>	<b>(55,354,631)</b>	<b>99,096,162</b>