



Quarterly Financial Overview - Q1 2026

May 19, 2026

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Agenda

- Economic Update
- First Quarter Results:
 - General Fund
 - Other Programs
 - Citywide Overtime
 - Capital Programs



Economic Uncertainty & Recession Risk

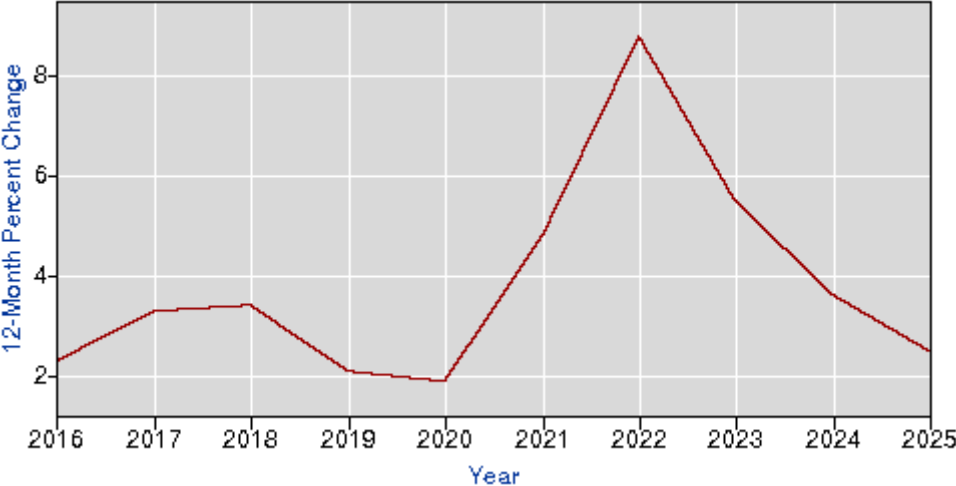
- Federal & Indirect Federal Funding
- Geopolitical & Trade Policy Uncertainty
- Shifts in Consumer Behavior
- Increased Cost of Public Procurement



Economic Update

CPI-W (Seattle/Tacoma/Bellevue)

Dec 2023	Feb 2024	Apr 2024	Jun 2024	Aug 2024	Oct 2024	Dec 2024	Feb 2025	Apr 2025	Jun 2025	Aug 2025	Dec 2025	Feb 2026
4.3%	4.2%	4.5%	3.6%	3.0%	2.7%	2.9%	2.6%	1.6%	2.7%	3.2%	3.1%	3.8%



Economic Update - King County Forecasts

Countywide Taxable Retail Sales Growth

Forecast	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
Current (Feb 2026)	0.0%	1.9%	8.1%	2.0%	2.1%	2.7%	3.0%	3.9%	2.6%	3.9%
Prior (Nov 2025)	0.0%	2.2%	8.1%	2.4%	2.6%	2.8%	3.3%	3.2%	4.1%	4.0%

Countywide Assessed Valuation Growth

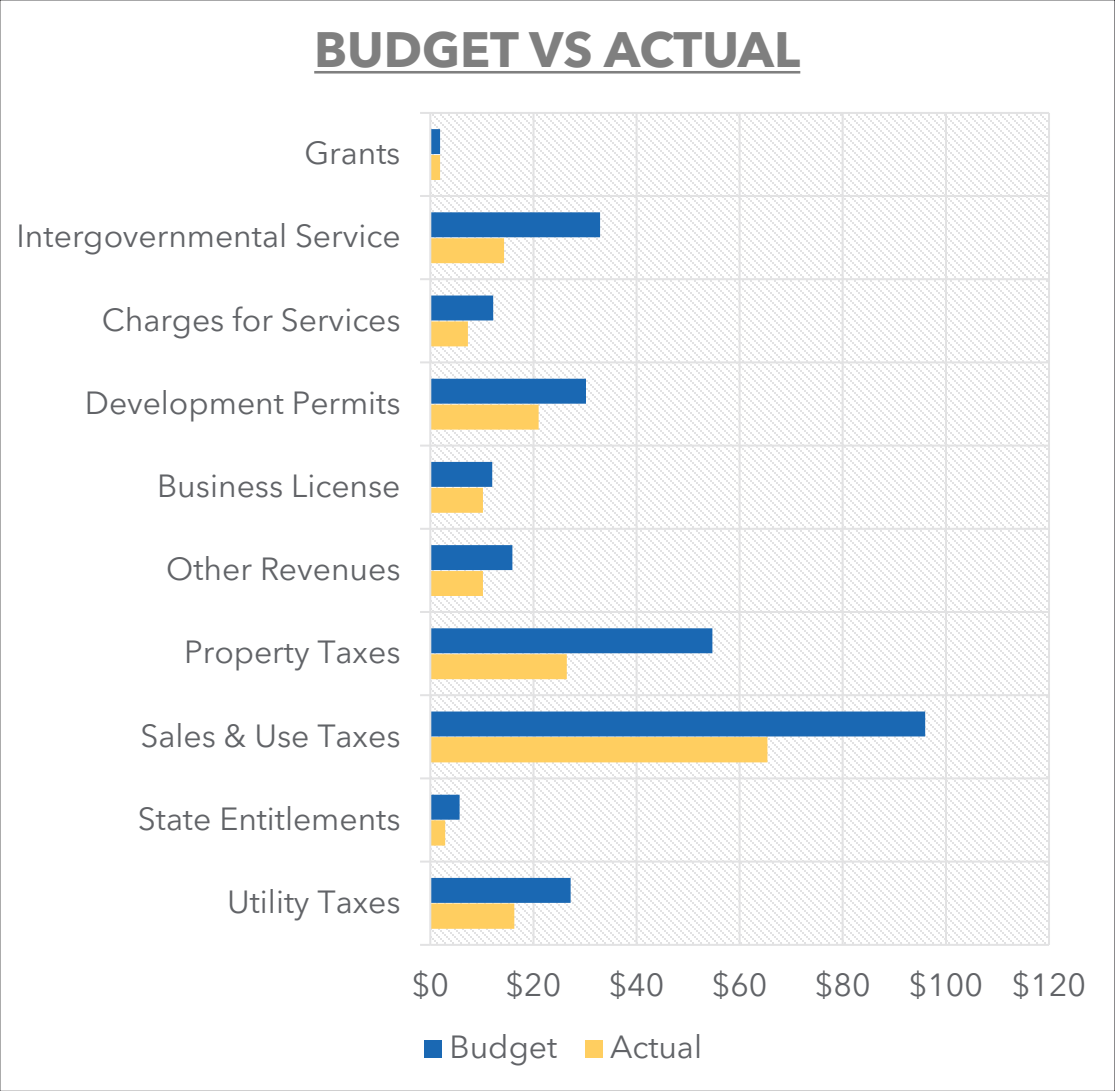
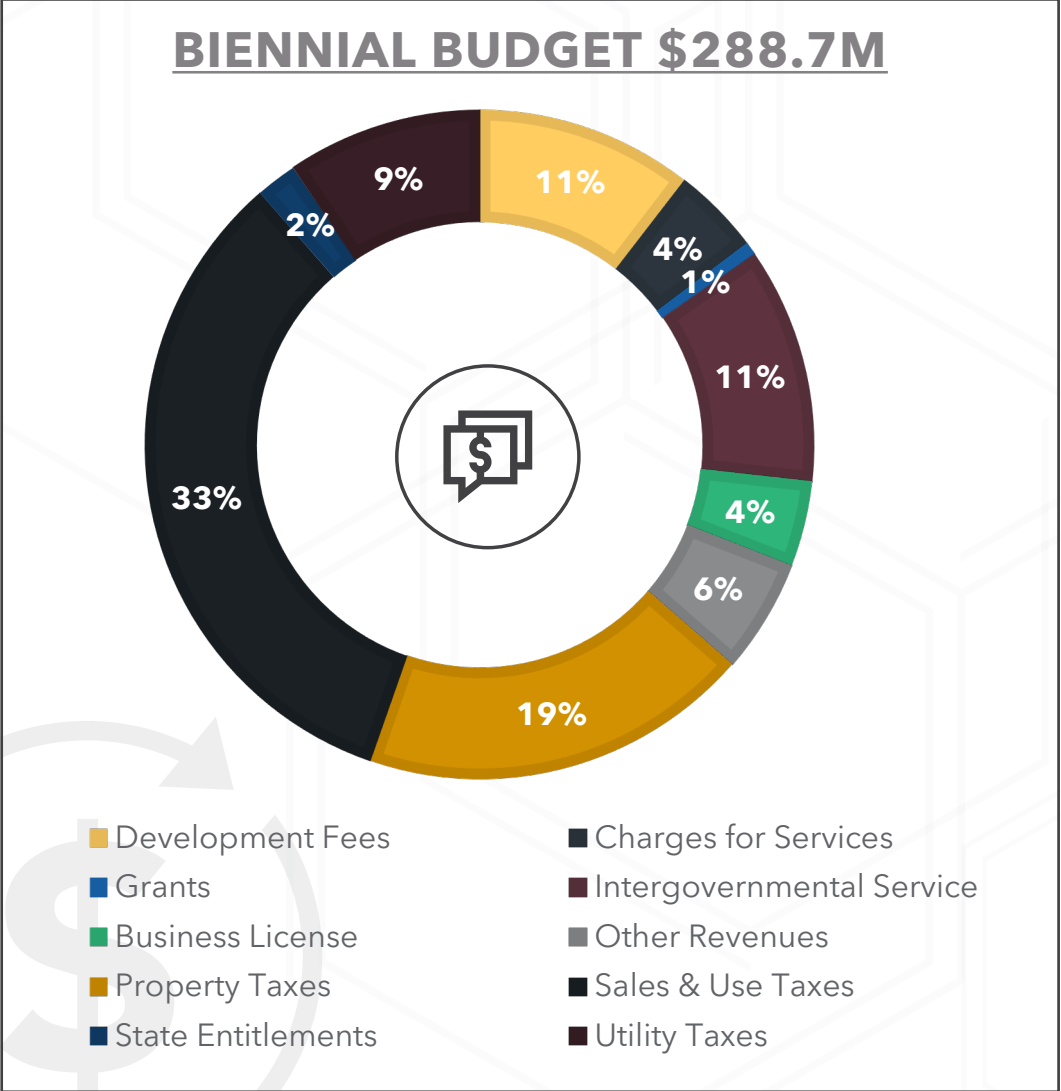
Forecast	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
Current (Mar 2026)	-5.3%	4.8%	5.4%	3.3%	4.8%	5.1%	3.1%	4.0%	3.4%	4.0%
Prior (Dec 2025)	-5.3%	4.8%	4.5%	2.8%	4.2%	4.7%	4.4%	3.8%	2.7%	2.9%

Countywide Employment Growth

Forecast	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
Current (Feb 2026)	0.6%	-0.8%	-0.5%	0.2%	0.6%	0.6%	0.6%	0.5%	0.5%	0.7%
Prior (Nov 2025)	0.6%	-0.8%	-0.4%	0.5%	0.9%	0.9%	0.8%	0.7%	0.8%	0.9%

Source: King County Office of Economic and Financial Analysis

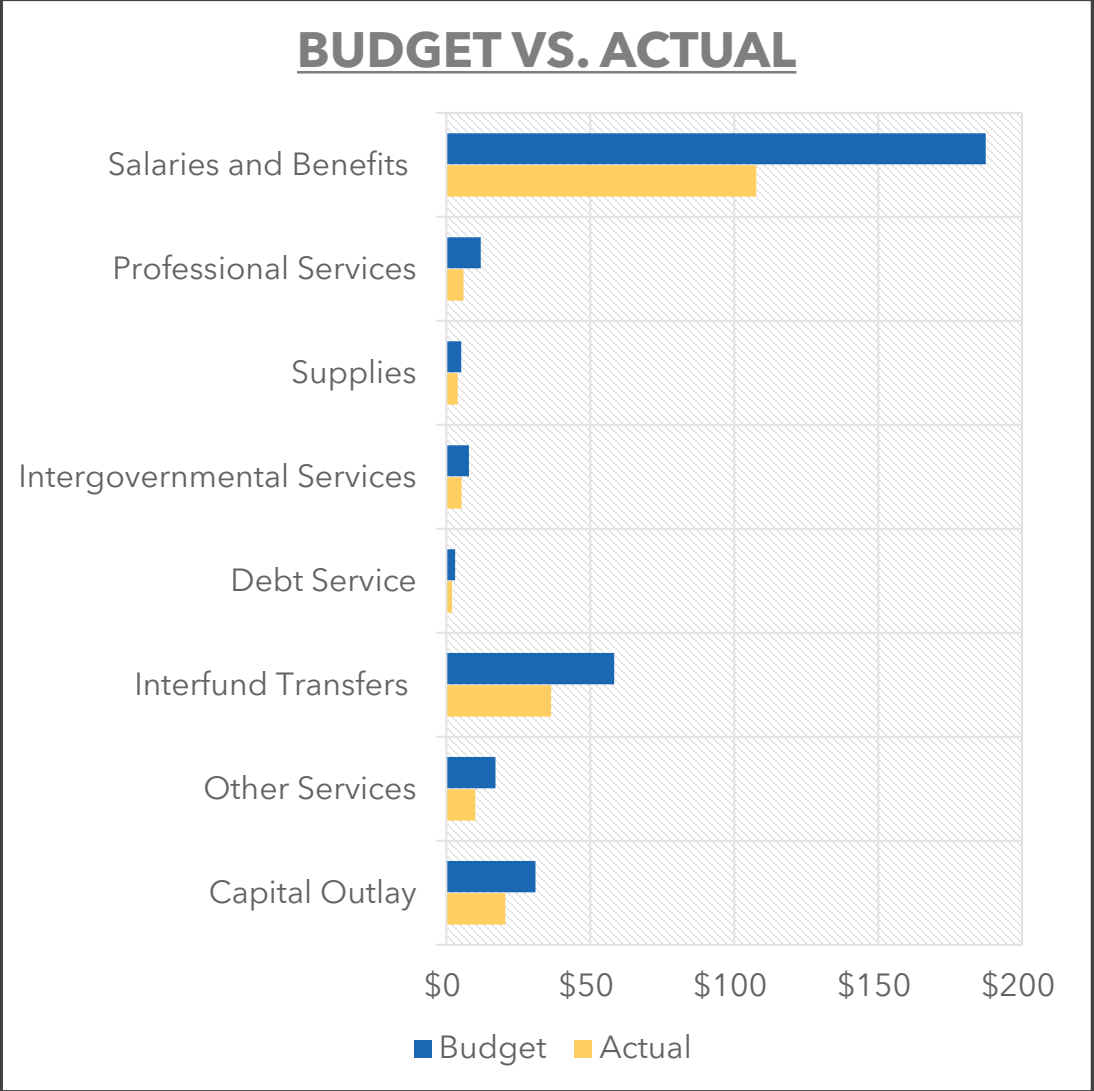
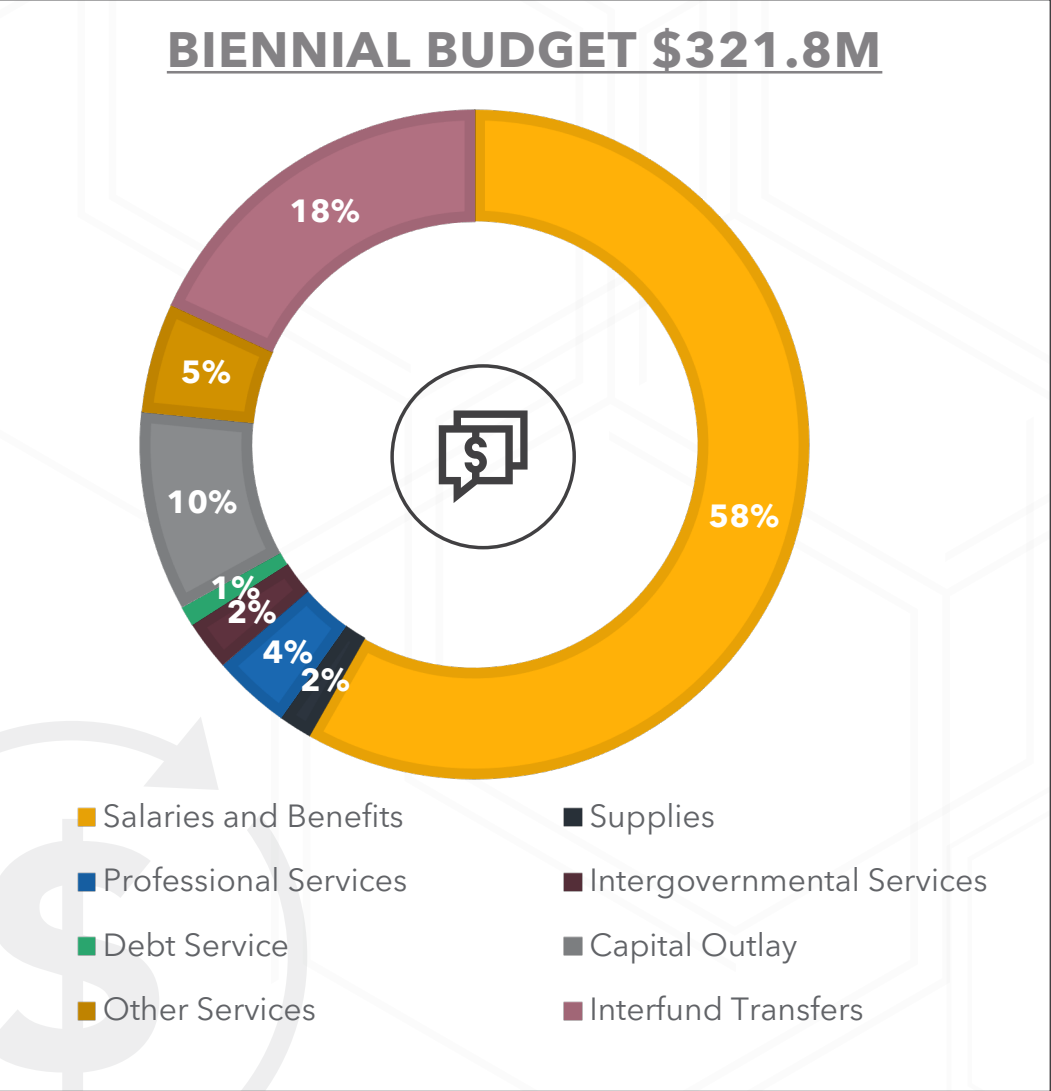
General Fund Revenue - Q1 2026



General Fund Revenue - Q1 2026

Category	Budget	Target	Actuals	\$ Variance (Target)	% Variance (Target)
Property Tax	\$54,698,137	\$27,218,265	\$26,520,819	(\$697,446)	-3%
Sales & Use Tax	95,956,694	50,207,433	65,404,701	15,197,268	30%
Utility Taxes	27,247,937	15,984,275	16,306,200	321,926	2%
Development Permit Fees	30,241,651	19,038,676	21,022,486	1,983,811	10%
Business License Fees	11,950,814	10,395,603	10,150,390	(245,213)	-2%
Grants	1,919,119	1,422,023	1,928,348	506,325	36%
Intergovernmental	32,931,161	16,051,874	14,343,388	(1,708,486)	-11%
State Entitlements	5,739,102	3,282,130	2,941,506	(340,624)	-10%
Charges for Service	12,169,380	7,482,169	7,328,016	(330,253)	-2%
Other Revenues	15,877,062	11,333,687	10,232,060	(886,191)	-10%
Total	\$288,731,058	\$162,416,134	\$176,177,915	\$13,761,781	9%

General Fund Expenditures - Q1 2026



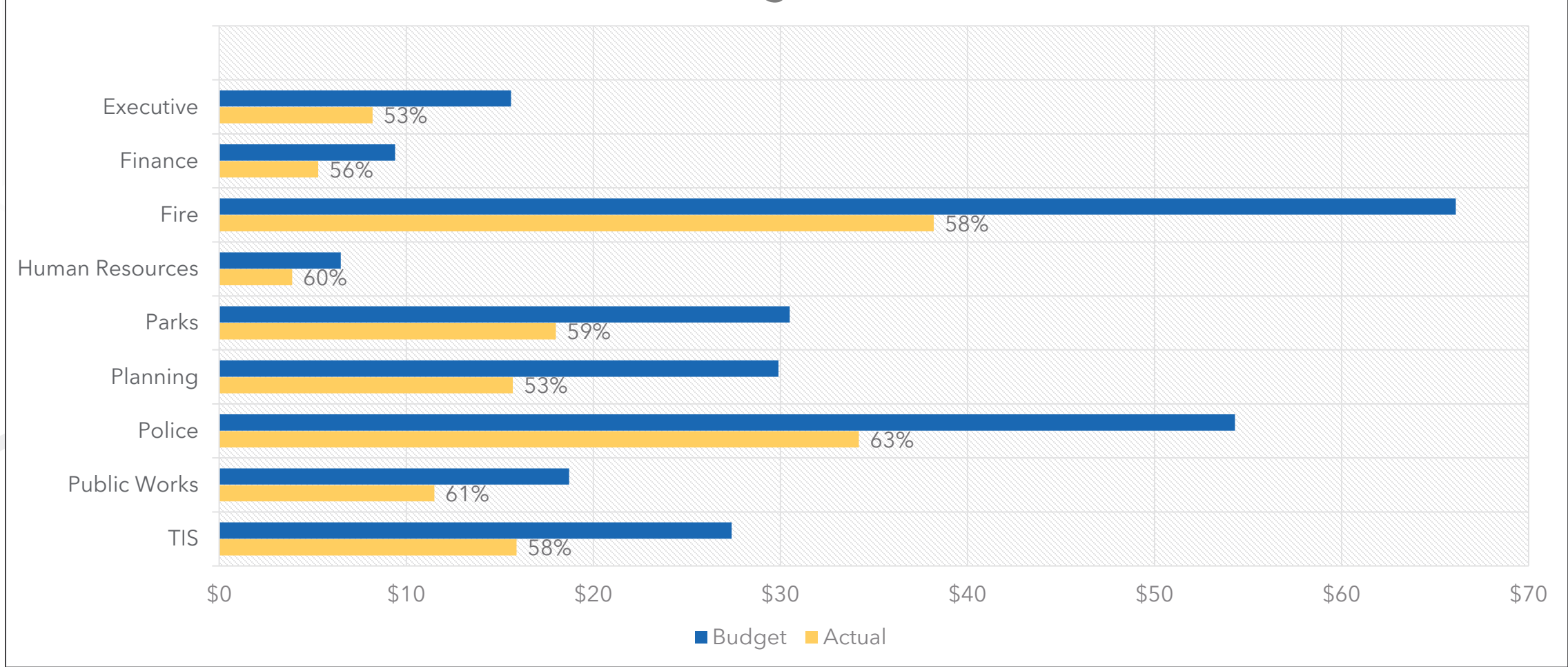
General Fund Expenditures - Q1 2026

Category	Budget	Actual	% Expended	% Over/ - Under
Salaries & Benefits	\$187,401,747	\$107,723,724	58%	-5%
Professional Services	11,982,158	5,909,753	49%	-13%
Supplies	5,203,189	3,938,444	76%	13%
Intergovernmental Services	7,802,925	5,289,794	68%	5%
Other Services	17,055,352	10,058,310	59%	-4%
Debt Service	3,058,194	1,909,286	62%	0%
Capital Outlay	30,986,322	20,533,543	66%	4%
Interfund Transfers	58,331,234	36,384,528	62%	0%
Total	\$321,821,120	\$191,747,381	60%	-3%

General Fund Expenditures - Q1 2026

DEPARTMENTAL BUDGET VS ACTUAL

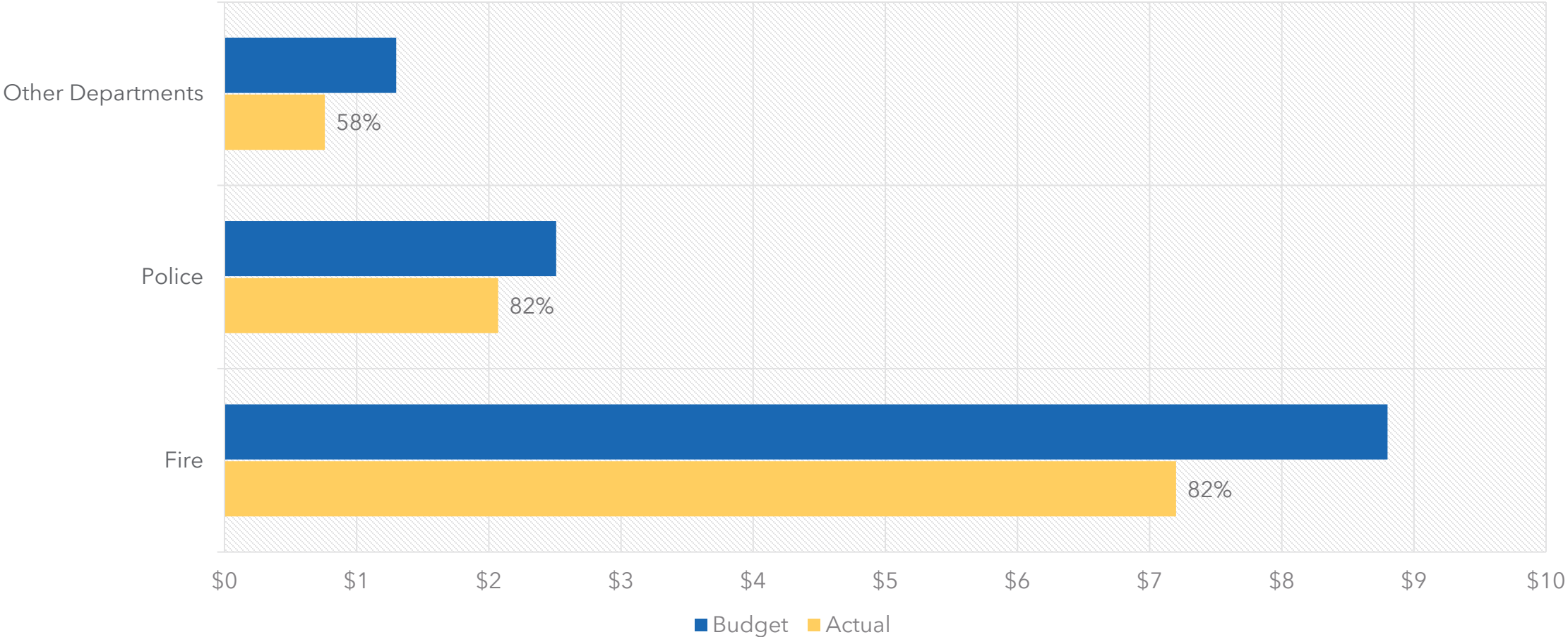
Q1 Target: 63%



Citywide Overtime - Q1 2026

ALL FUNDS - DEPARTMENTAL OVERTIME BUDGET VS ACTUAL

Q1 Target - 63%

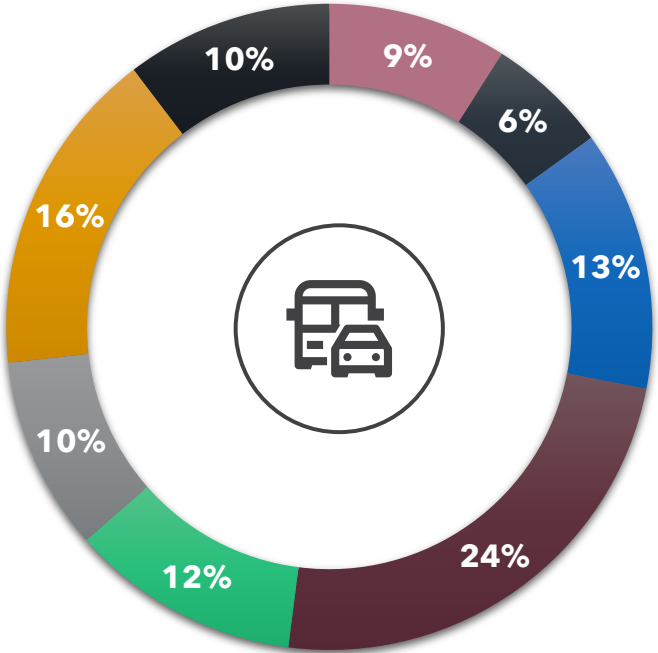


Citywide Overtime - Q1 2026

Department	Budget	Actual	% Expended	% Over/ Under
Fire Department				
<i>Regular Salaries</i>	\$58,830,509	\$31,679,059	54%	9%
<i>Overtime Salaries</i>	8,783,932	7,194,569	82%	-19%
Fire Department Total	\$67,614,441	\$38,873,628	57%	5%
Police Department				
<i>Regular Salaries</i>	\$36,830,388	21,013,603	57%	5%
<i>Overtime Salaries</i>	2,514,014	2,071,076	82%	-20%
Police Department Total	\$39,344,402	\$23,084,678	59%	4%
All Other Departments				
<i>Regular Salaries</i>	\$106,134,810	\$62,374,424	59%	4%
<i>Overtime Salaries</i>	1,303,293	737,854	57%	6%
All Other Departments Total	\$107,438,102	\$63,112,278	59%	4%
Total Citywide Salaries	\$214,396,945	\$125,070,585	58%	4%

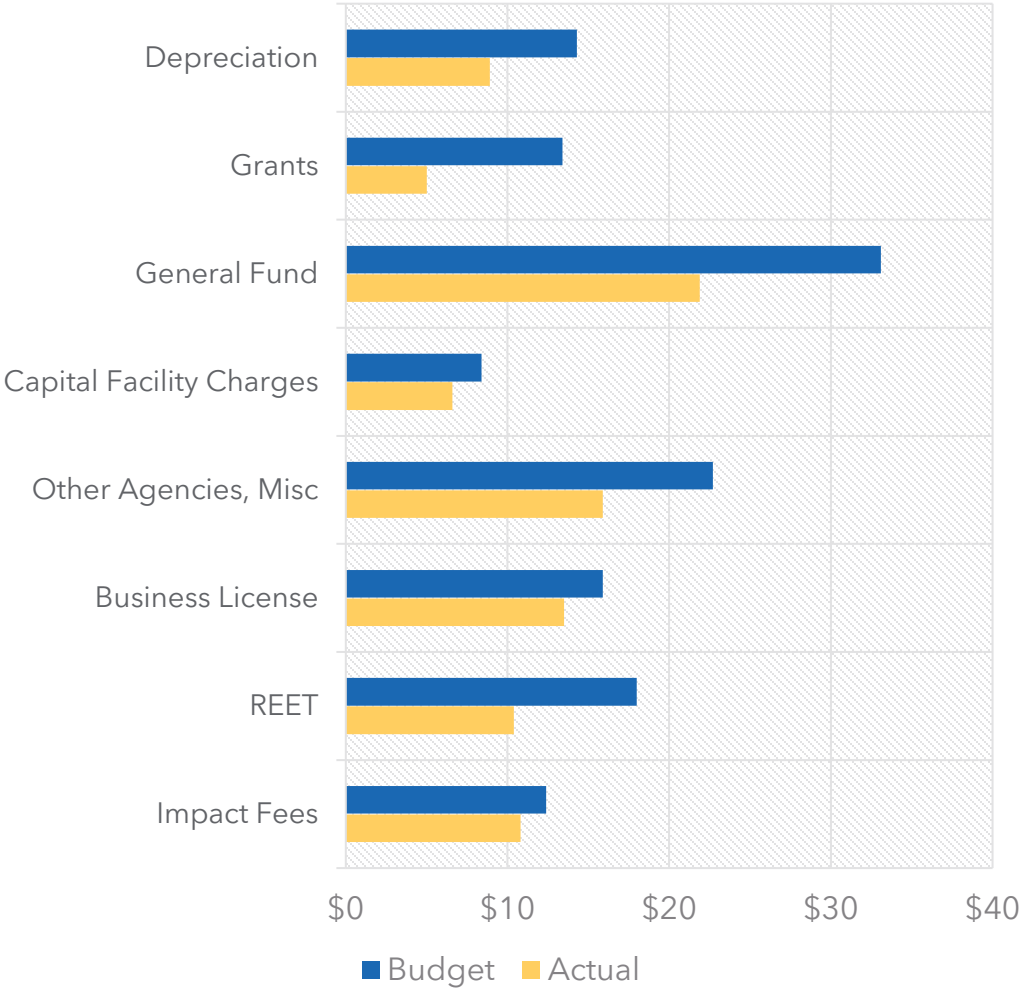
Capital Investment Program Revenue - Q1 2026

BIENNIAL BUDGET \$138.1M



- Impact Fees
- REET
- Business License
- Other Agencies, Misc
- Capital Facility Charges
- General Fund
- Grants
- Depreciation

BUDGET VS. ACTUAL



Capital Investment Program Revenue - Q1 2026

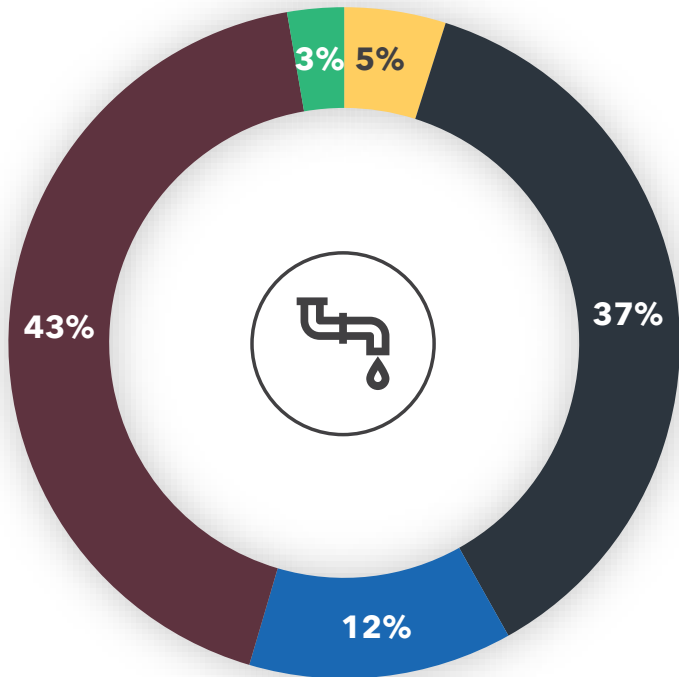
Category	Budget	Actual	% Collected	% Over/ Under Expected
Business License	\$15,890,892	\$13,482,975	85%	22%
Capital Facilities Charges	8,397,365	6,575,867	78%	16%
Depreciation	14,258,141	8,922,882	63%	0%
General Fund	33,093,391	21,916,018	66%	4%
Grants	13,423,129	4,984,093	37%	-25%
Impact Fees	12,400,000	10,755,210	87%	24%
Miscellaneous	14,380,350	13,689,276	94%	32%
Other Agencies	8,287,270	2,243,881	28%	-35%
REET	18,000,000	10,442,452	58%	-5%
Total	\$138,130,538	\$93,012,655	67%	5%

Capital & Business Technology Investment Programs Expenditures - Q1 2026

Program	Budget	Actual	% Expended	% Over/Under
Capital Investment Program (CIP)	\$201,506,023	\$83,294,998	41%	21%
<i>General Government CIP</i>	146,375,639	75,562,860	52%	11%
<i>Utility CIP</i>	55,130,384	7,732,138	14%	48%
Business & Technology Investment Program (BTIP)	\$10,389,980	\$2,126,490	20%	42%
Total	\$211,896,003	\$85,421,488	40%	22%

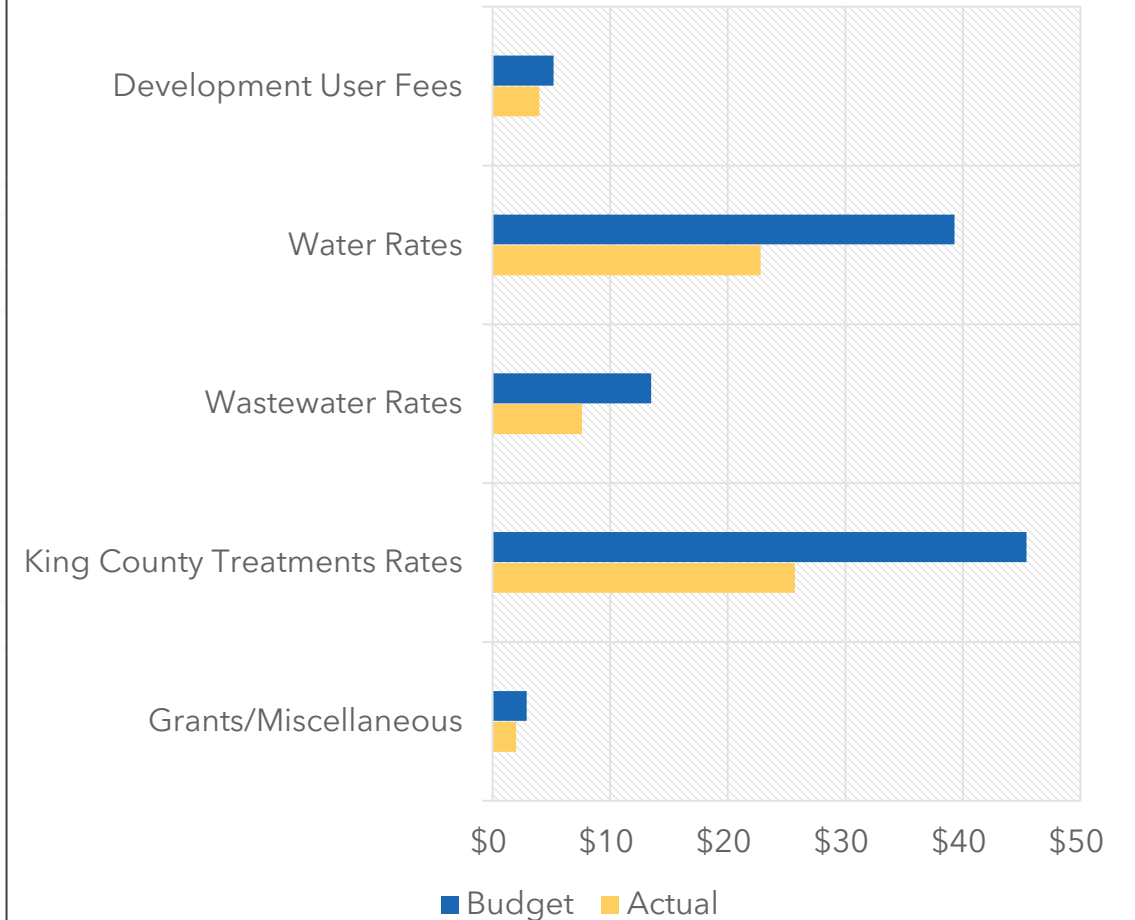
Water/Wastewater Utility Revenue - Q1 2026

BIENNIAL BUDGET \$106.2M



- Development Fees
- Water Rates
- Wastewater Rates
- King County Treatment Rates
- Grants and Miscellaneous

BUDGET VS. ACTUAL



Water/Wastewater Utility Revenue - Q1 2026

Category	Budget	Actual	% Received	% Over/ Under Expected
Development User Fees	\$5,247,677	\$3,988,013	76%	14%
Water Rates	39,222,077	22,841,376	58%	-4%
Wastewater Rates	13,475,876	7,582,351	56%	-6%
King County Treatment Rates	45,352,228	25,686,531	57%	-6%
Grants/Miscellaneous	2,916,558	2,019,593	69%	7%
Total	\$106,214,416	\$62,117,864	59%	-4%



Healthy and Sustainable 2025-2026 Baseline Budget

BUDGET OFFER	BASELINE BUDGET OFFER	LEAD DEPARTMENT	BUDGET	Q1 ACTUAL	% SPENT	% OVER/ UNDER
0000262	Wastewater Management	Public Works	\$62,950,702	\$40,492,467	64%	-2%
0000263	Parks, Trails, & Open Space	Parks	18,348,864	10,584,221	58%	5%
0000264	Environmental Sustainability	Executive	2,113,893	1,116,744	53%	10%
0000265	Solid Waste Management	Public Works	2,868,862	1,432,827	50%	13%
0000266	Stormwater Management	Public Works	22,971,130	10,234,164	45%	18%
0000267	Safe & Reliable Drinking Water	Public Works	40,669,478	24,762,369	61%	2%
0000268	Ground & Surface Water Mgmt	Public Works	6,932,451	3,807,505	55%	8%
0000401	Community Recreation	Parks	14,444,628	8,583,979	59%	3%
TOTAL			\$171,300,007	\$101,014,275	59%	4%



Safe and Resilient 2025-2026 Baseline Budget

BUDGET OFFER	BASELINE BUDGET OFFER	LEAD DEPARTMENT	BUDGET	Q1 ACTUAL	% SPENT	% OVER/ UNDER
0000275	Criminal Investigation	Police	\$5,797,848	\$3,833,524	66%	-4%
0000276	Criminal Justice	Executive	5,297,556	3,521,156	66%	-4%
0000277	Fire & Medical Operations	Fire	72,418,692	42,976,868	59%	3%
0000278	Fire Support Services	Fire	16,905,424	9,929,639	59%	4%
0000279	Police Patrol & Response	Police	34,206,481	21,866,934	64%	-1%
0000280	Police Dispatch & Support	Police	13,709,510	8,058,308	59%	4%
0000281	Construction Inspection	Planning	9,774,983	5,010,961	51%	11%
0000282	Street & Traffic Safety	Public Works	21,465,213	12,074,417	56%	6%
0000283	Fire Prevention Services	Fire	3,133,588	1,902,293	61%	2%
TOTAL			\$182,709,294	\$109,174,100	60%	3%



Strategic and Responsive 2025-2026 Baseline Budget

BUDGET OFFER	BASELINE BUDGET OFFER	LEAD DEPARTMENT	BUDGET	Q1 ACTUAL	% SPENT	% OVER/ UNDER
0000288	Operating Reserves	Finance	\$79,448,940	\$2,648,958	3%	59%
0000289	City Council	Executive	968,670	560,237	58%	5%
0000290	Executive Leadership	Executive	12,520,580	5,890,382	47%	15%
0000291	Fleet Management	Public Works	20,255,194	10,461,475	52%	11%
0000292	Community Outreach/Involvement	Executive	3,011,159	1,501,534	50%	13%
0000293	Citywide Communications	Executive	2,787,506	1,464,719	53%	10%
0000294	Technology Solutions	TIS	28,666,745	16,670,017	58%	4%
0000295	Diversity, Equity & Inclusion	Executive	953,261	254,363	27%	36%
0000296	Human Resources	Human Resources	46,788,036	29,606,775	63%	-1%
0000297	Fiscal Accountability	Finance	17,905,223	12,026,292	67%	-5%
TOTAL			\$213,305,314	\$81,084,753	38%	24%



Vibrant and Connected 2025-2026 Baseline Budget

BUDGET OFFER	BASELINE BUDGET OFFER	LEAD DEPARTMENT	BUDGET	Q1 ACTUAL	% SPENT	% OVER/ UNDER
0000302	Microsoft Campus Refresh	Planning	\$1,253,501	\$686,550	55%	8%
0000303	Development Services	Planning	20,315,252	11,235,660	55%	7%
0000304	Community/Economic Development	Planning	7,878,946	3,923,563	50%	13%
0000305	Capital Investment Delivery	Public Works	885,732	535,585	60%	2%
0000306	Facilities Management	Parks	9,289,519	5,507,144	59%	3%
0000307	Housing & Human Services	Planning	9,371,567	6,349,969	68%	-5%
0000308	Arts & Community Events	Parks	2,677,045	1,408,356	53%	10%
0000309	Light Rail	Planning	946,803	358,957	38%	25%
0000310	Mobility of People & Goods	Planning	7,038,713	3,287,637	47%	16%
TOTAL			\$59,657,077	\$33,293,420	56%	7%

Next Steps

- 2026 Q2 Financial Report September 2026



Thank you

Any Questions?



Redmond
WASHINGTON