



# Fourth Quarter 2024 Financial Report

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April 15, 2025

Kelley Cochran, Finance Director



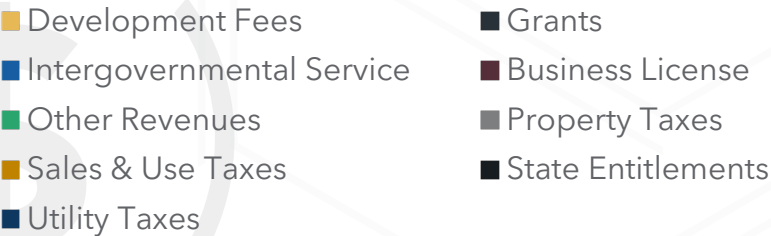
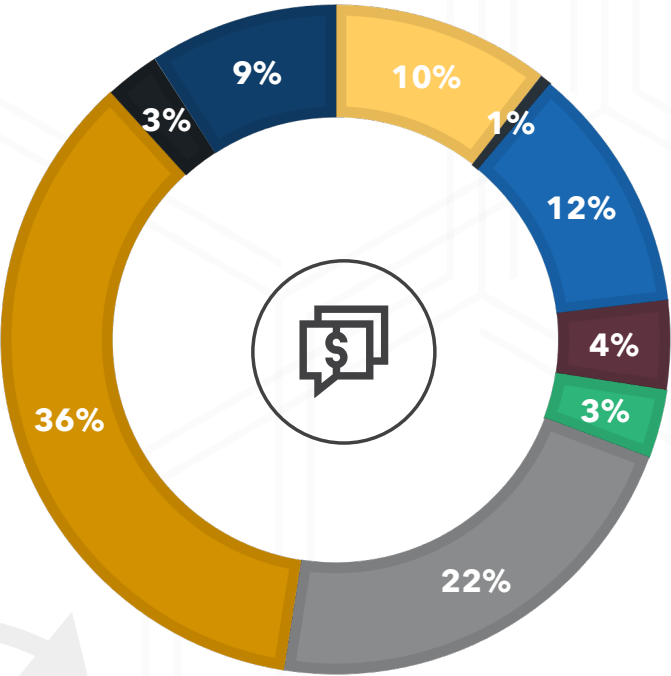
# Agenda

- 4<sup>th</sup> Quarter 2024 Review
- 1<sup>st</sup> Quarter 2025 Preview
- Budget Process Update

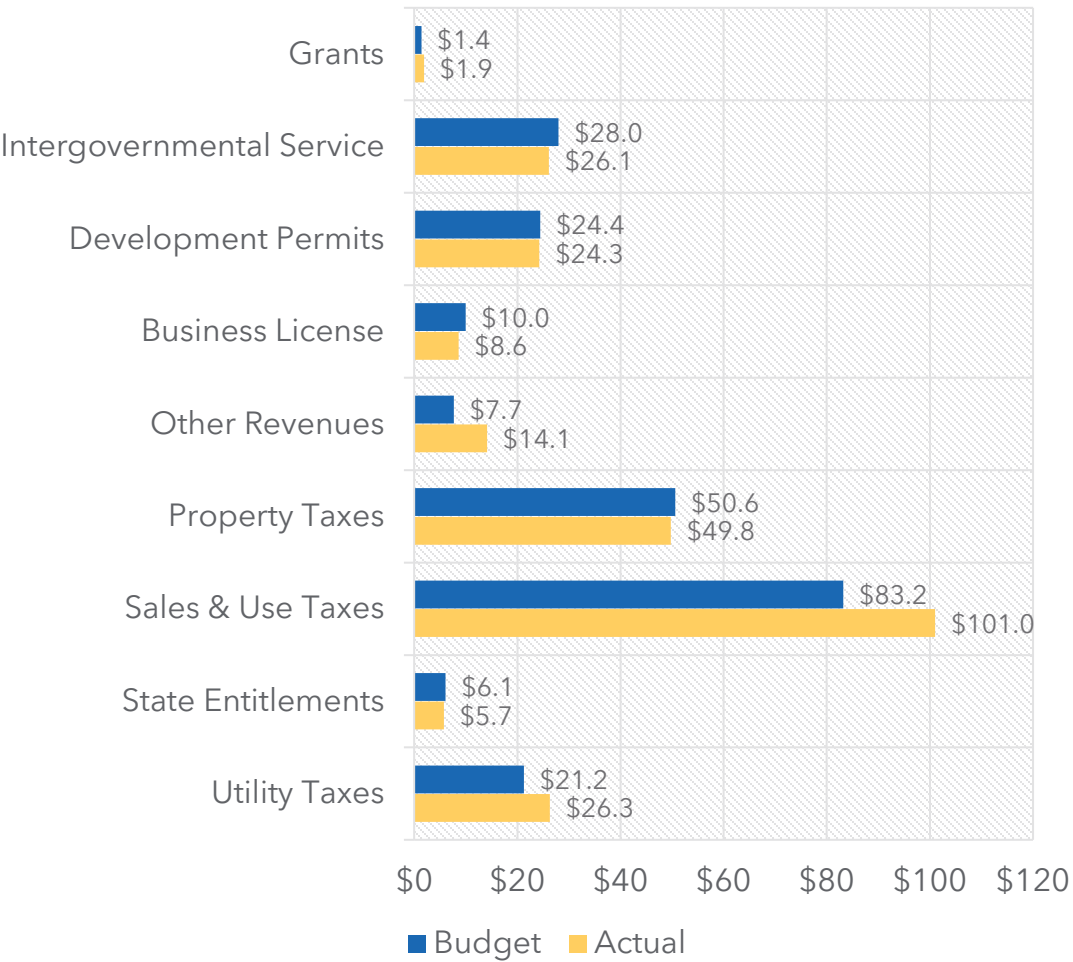


# General Fund Revenue - 4<sup>th</sup> Quarter 2024

**BIENNIAL BUDGET \$283.9M**

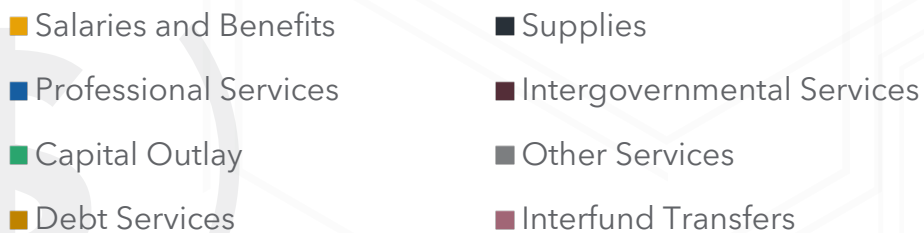
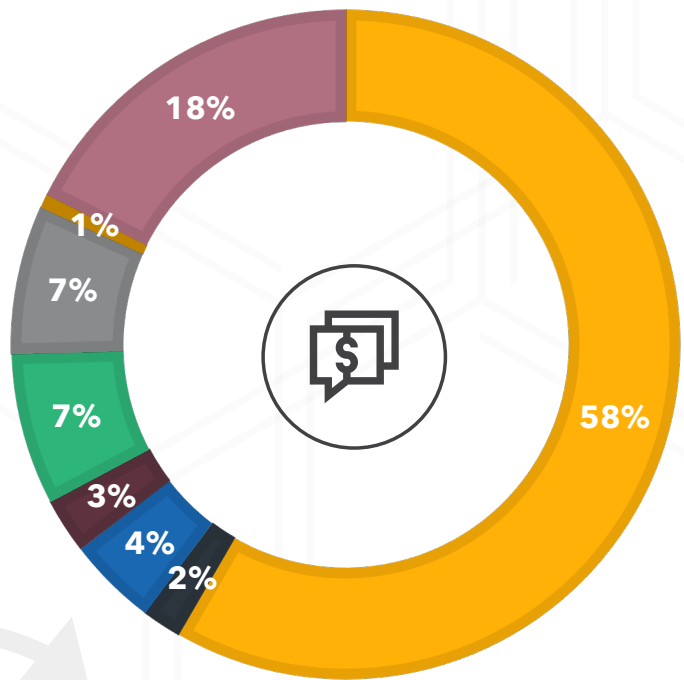


**BUDGET VS ACTUAL**

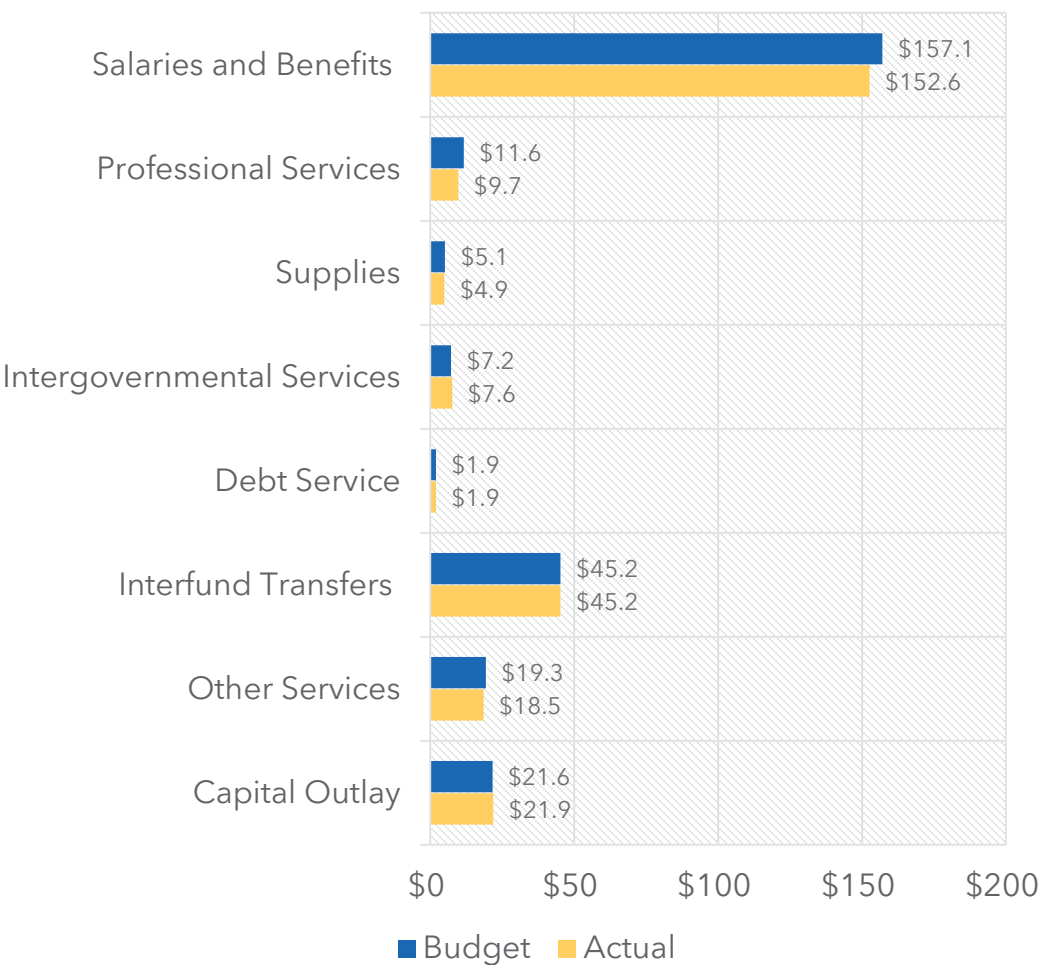


# General Fund Expenditures - 4<sup>th</sup> Quarter 2024

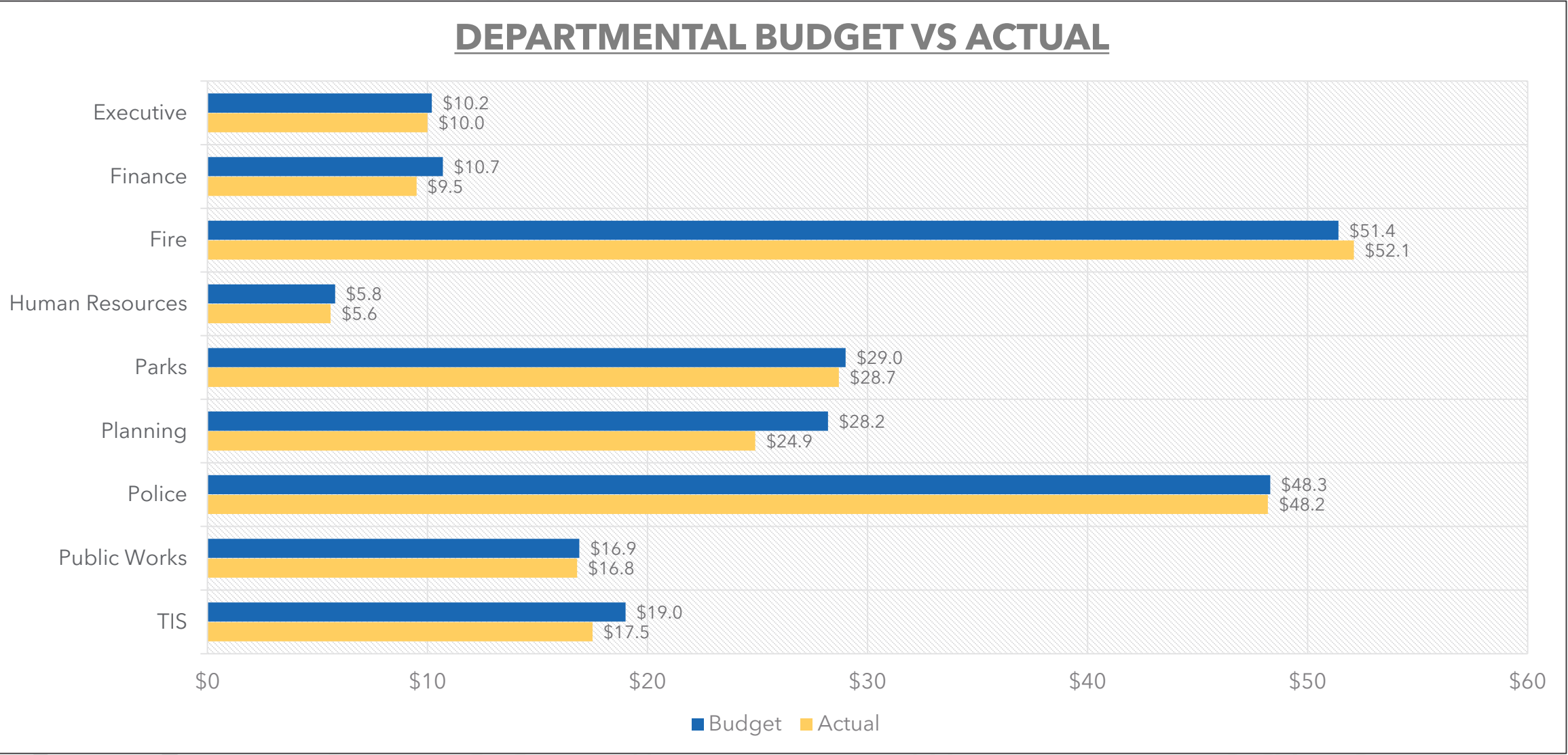
**BIENNIAL BUDGET \$283.9M**



**BUDGET VS. ACTUAL**

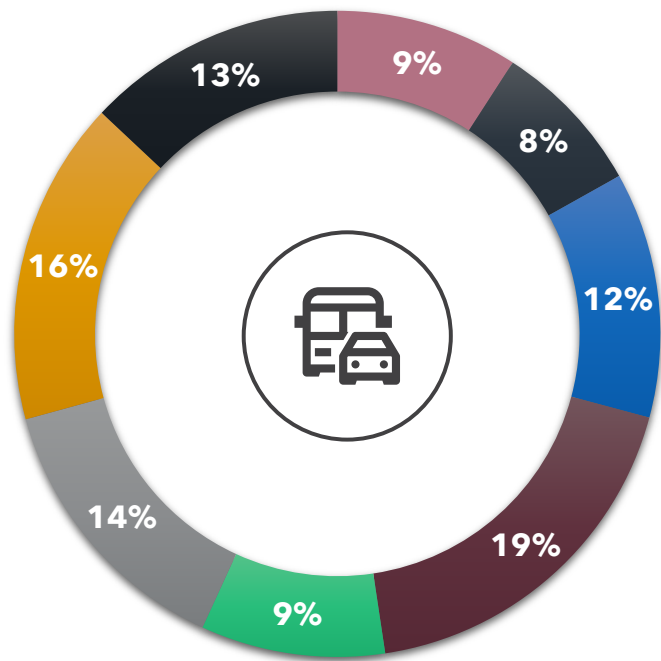


# General Fund Expenditures - 4<sup>th</sup> Quarter 2024

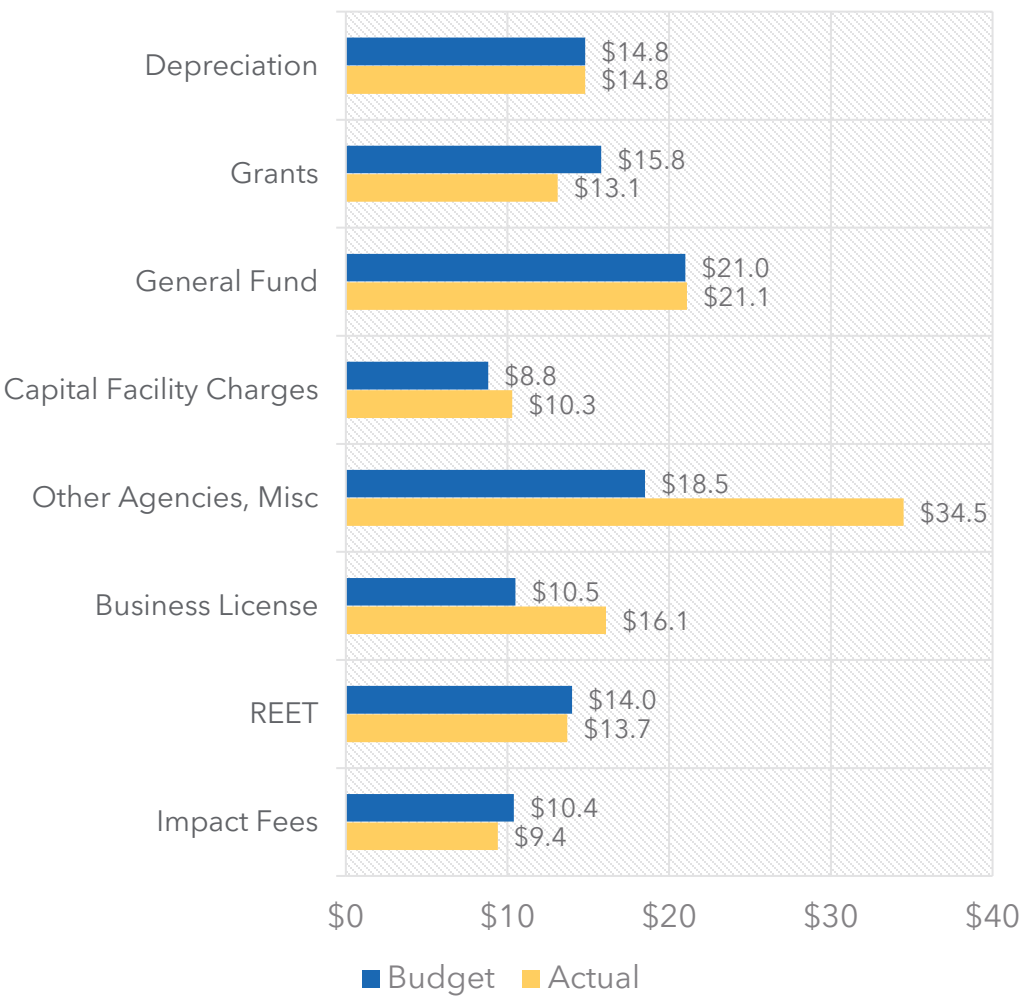


# Capital Investment Program - Revenue

## BIENNIAL BUDGET \$138.9M

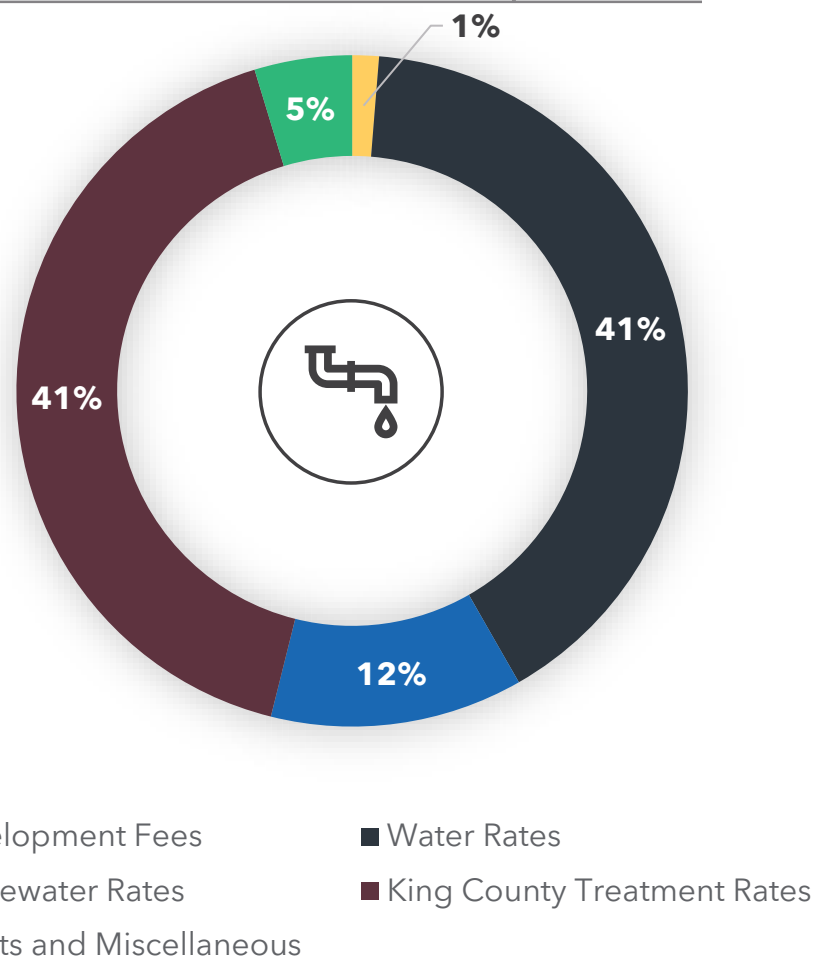


## BUDGET VS. ACTUAL

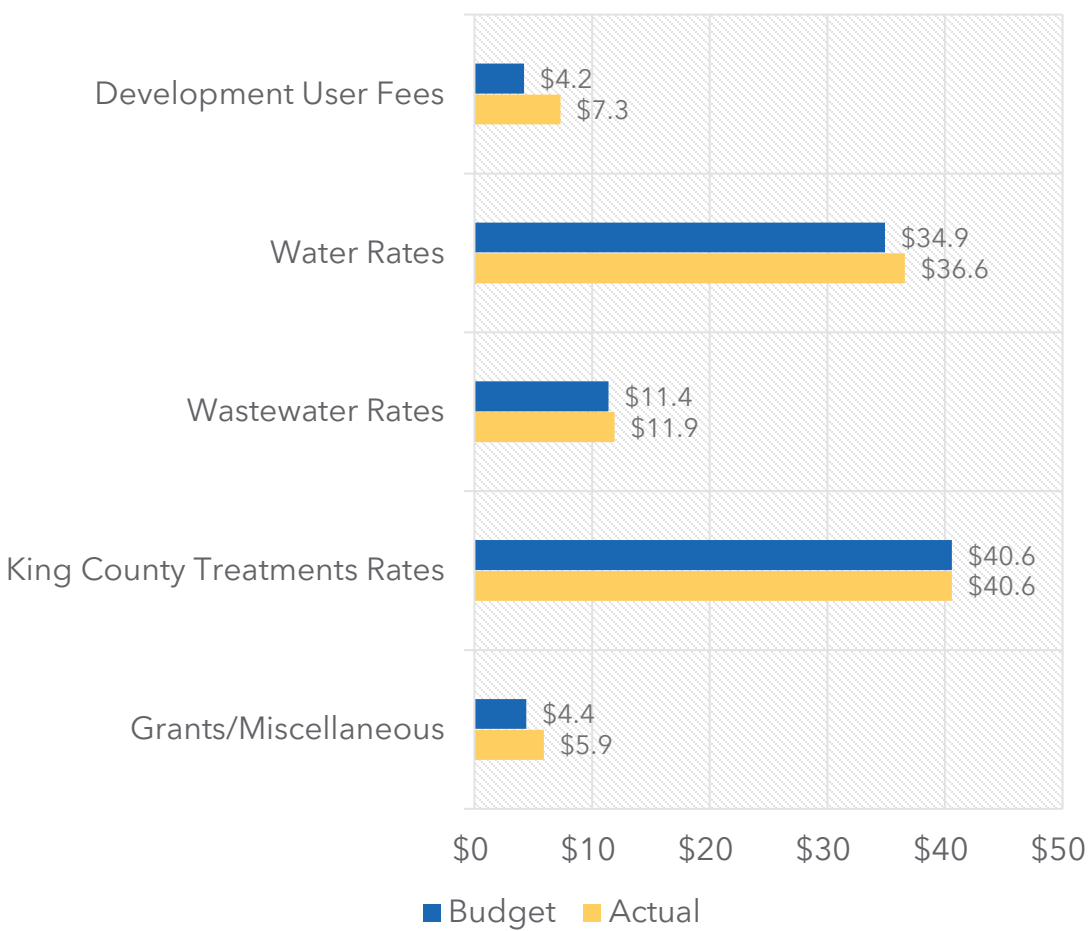


# Water/Wastewater Utility - Revenue

**BIENNIAL BUDGET \$93.7M**

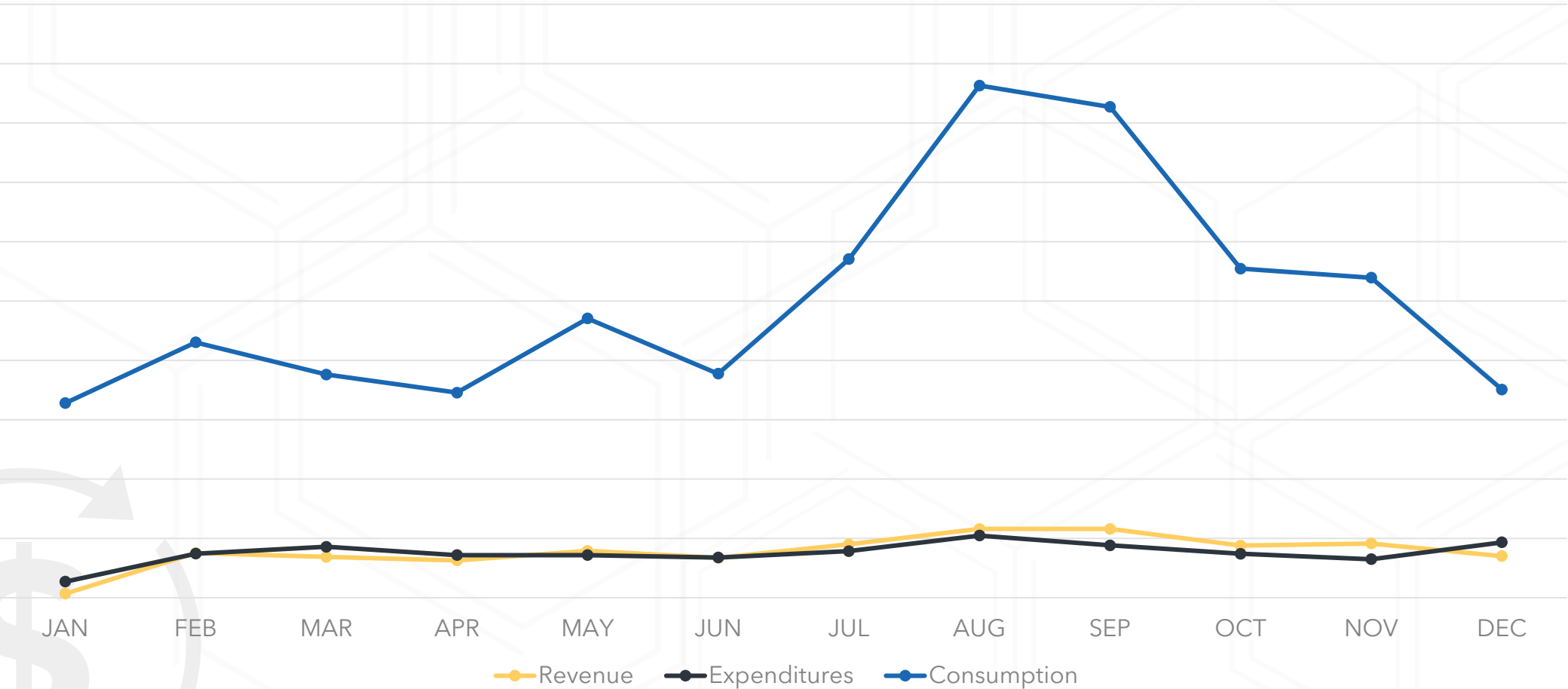


**BUDGET VS. ACTUAL**



# Water/Wastewater Utility 2024

Revenue versus Expense







# Healthy and Sustainable 2023-2024 Baseline Budget

Budget Offer	Baseline Budget Offer	Department	Current Adopted Budget	4 <sup>th</sup> Quarter 2024 Actual	% Spent
8	Community Recreation	Parks	\$12,955,373	\$12,962,028	100%
7	Environmental Sustainability	Executive	\$1,342,952	\$862,511	64%
2	Ground & Surface Water Management	Public Works	\$6,684,765	\$5,417,208	81%
9	Parks, Trails & Open Space	Parks	\$16,864,703	\$16,333,032	97%
3	Safe & Reliable Drinking Water	Public Works	\$38,091,433	\$37,068,546	97%
6	Solid Waste Management	Public Works	\$2,610,097	\$2,667,252	102%
4	Stormwater Management	Public Works	\$18,406,198	\$15,807,286	86%
147	Wastewater Management	Public Works	\$53,832,664	\$51,972,720	97%
TOTAL			\$150,788,185	\$143,090,584	95%



# Safe and Resilient 2023-2024 Baseline Budget

Budget Offer	Baseline Budget Offer	Department	Current Adopted Budget	4th Quarter 2024 Actual	% Spent
13	Construction Inspection	Planning	\$8,679,373	\$7,266,243	84%
19	Criminal Investigation	Police	\$5,451,051	\$5,034,005	92%
18	Criminal Justice	Executive & Police	\$4,432,429	\$5,162,648	116%
17	Fire & Medical Operations	Fire	\$58,403,728	\$60,161,444	103%
11	Fire Prevention Services	Fire	\$1,900,475	\$1,753,148	92%
16	Fire Support Services	Fire	\$17,653,583	\$15,001,824	85%
14	Police Dispatch & Support	Police	\$13,086,866	\$12,602,043	96%
15	Police Patrol & Response	Police	\$30,114,114	\$29,922,895	99%
12	Street & Traffic Safety	Public Works	\$18,425,319	\$17,416,359	95%
TOTAL			<b>\$158,146,938</b>	<b>\$154,320,610</b>	<b>98%</b>



# Strategic and Responsive 2023-2024 Baseline Budget

Budget Offer	Baseline Budget Offer	Department	Current Adopted Budget	4th Quarter 2024 Actual	% Spent
30	City Council	Council	\$593,053	\$591,965	100%
26	Citywide Communications	Executive	\$1,941,779	\$1,935,754	100%
27	Community Outreach/Involvement	Executive & Police	\$2,878,639	\$2,493,530	87%
24	Diversity, Equity, & Inclusion	Executive	\$663,436	\$452,047	68%
29	Executive Leadership	Executive	\$6,774,725	\$4,539,709	67%
21	Fiscal Accountability	Finance	\$16,377,988	\$15,462,420	94%
28	Fleet Management	Public Works	\$16,683,221	\$16,679,686	100%
23	Human Resources	Human Resources	\$47,044,099	\$41,209,856	88%
22	Operating Reserves	Finance	\$59,742,301	\$4,929,202	8%
25	Technology Solutions	TIS	\$20,515,273	\$18,770,846	91%
TOTAL			<b>\$173,214,514</b>	<b>\$107,065,015</b>	<b>62%</b>





# Vibrant and Connected 2023-2024 Baseline Budget

Budget Offer	Baseline Budget Offer	Department	Current Adopted Budget	4th Quarter 2024 Actual	% Spent
36	Arts & Community Events	Parks	\$1,867,926	\$1,880,710	101%
39	Capital Investment Delivery	Public Works	\$941,453	\$797,688	85%
40	Community/Economic Development	Planning	\$6,195,706	\$5,999,028	97%
42	Development Services	Planning	\$17,651,040	\$15,547,095	88%
38	Facilities Management	Parks	\$8,726,368	\$8,909,756	102%
37	Housing & Human Services	Planning	\$9,136,087	\$9,361,738	102%
35	Light Rail	Planning	\$2,612,876	\$1,202,651	46%
140	Microsoft Campus Refresh	Planning	\$4,805,461	\$5,404,055	112%
34	Mobility of People & Goods	Planning	\$4,666,957	\$4,281,668	92%
TOTAL			\$56,603,874	\$53,384,389	94%



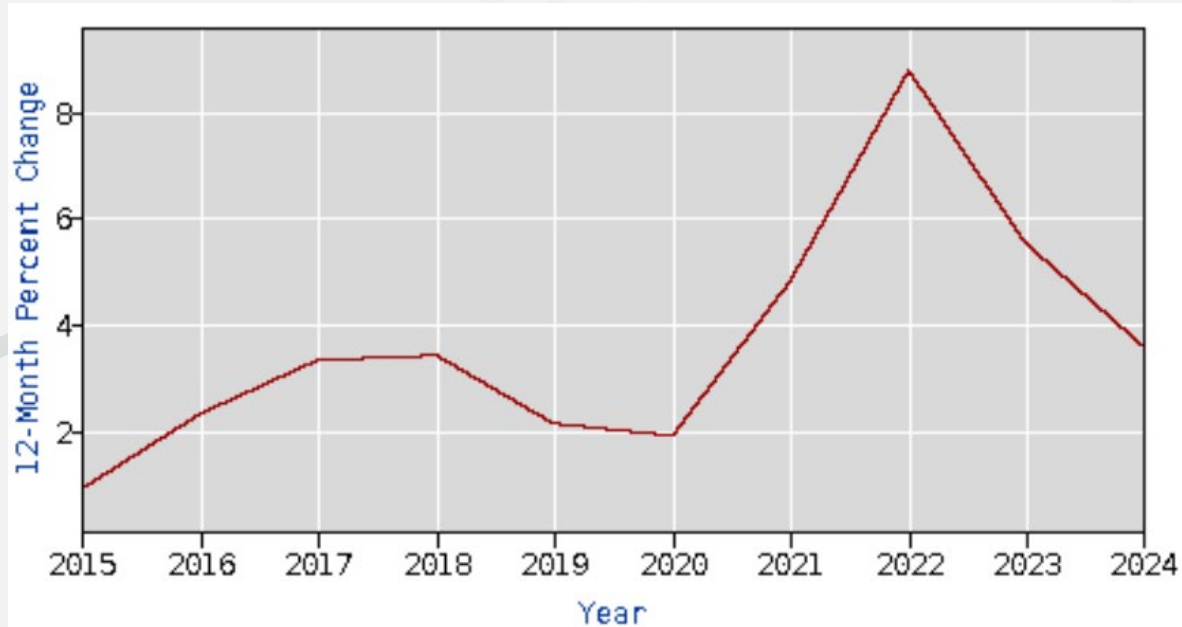
# Budgeting by Priorities

1<sup>st</sup> Quarter 2025 Preview

# Economic Update

## CPI-W (Seattle/Tacoma/Bellevue)

Feb 2023	Apr 2023	Jun 2023	Aug 2023	Oct 2023	Dec 2023	Feb 2024	Apr 2024	Jun 2024	Aug 2024	Oct 2024	Dec 2024	Feb 2025
7.5%	6.8%	4.5%	5.1%	4.4%	4.3%	4.2%	4.5%	3.6%	3.0%	2.7%	2.9%	2.6%



# Economic Update

## King County Forecasts

### Countywide Taxable Retail Sales Growth

Forecast	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
Current (Feb 2025)	-0.6%	1.8%	1.8%	1.9%	1.9%	2.4%	3.2%	3.0%	3.3%	3.4%
Prior (Nov 2024)	-1.5%	3.8%	3.8%	4.1%	4.2%	3.8%	3.6%	3.4%	3.4%	3.5%

### Countywide Assessed Valuation Growth

Forecast	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
Current (Feb 2025)	-5.3%	4.8%	3.6%	3.6%	3.7%	3.3%	4.3%	3.2%	3.7%	2.8%
Prior (Feb 2024)	-5.3%	1.9%	3.9%	4.0%	4.3%	4.2%	4.2%	4.4%	4.8%	4.8%

### Countywide Employment Growth

Forecast	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
Current (Feb 2025)	0.3%	0.7%	0.7%	0.7%	0.8%	1.1%	0.9%	0.9%	0.7%	0.7%
Prior (Nov 2024)	0.5%	0.7%	0.8%	0.9%	0.8%	0.9%	0.9%	0.7%	0.7%	0.7%

Source: King County Office of Economic and Financial Analysis



# General Fund Revenue - Thru February 2025

Category	Budget	Target	Actuals	% Over/Under Expected
Property Tax	\$54,698,137	\$0	\$37,528	N/A
Sales & Use Tax	\$95,956,694	\$7,193,524	\$0	-100%
Utility Taxes	\$27,247,937	\$1,733,195	\$1,123,560	-35%
Development Permit Fees	\$30,241,651	\$2,503,001	\$1,724,487	-31%
Business License Fees	\$11,950,814	\$3,309,059	\$3,638,759	10%
Grants	\$1,509,936	\$51,021	\$983	-98%
Intergovernmental	\$32,562,470	\$337,228	\$73,390	-78%
State Entitlements	\$5,739,102	\$159,077	\$308,829	94%
Charges for Service	\$12,169,380	\$982,970	\$520,653	-47%
Other Revenues	\$15,617,497	\$1,759,197	\$1,400,434	-20%
<b>Total</b>	<b>\$287,693,618</b>	<b>\$18,028,272</b>	<b>\$8,828,623</b>	<b>-51%</b>



# 2025-2026 New Ongoing Revenue

Description	Total	Status
Sound Transit – Police	\$500,000	In Process
Transport Fees	\$1,760,000	June 2025
Opioid Settlements	\$530,288	Implemented
Speed Cameras (Schools/Parks)	\$375,000	In Process
Wildland Deployment	\$161,600	Implemented
Fire Academy Instruction	\$70,700	Implemented
Lake Washington School District Impact Fee Collection	\$52,520	Implemented
Extended Use of ROW and Outdoor Seating Permit Fee	\$200,000	Implemented
Extended Use of ROW and Outdoor Seating Excise Tax	\$28,000	Implemented
Development Fee – Green Building Incentive Program Permit	\$30,450	In Process
Indirect Cost Updates (Street Sweeping, RITS, Business Licensing)	\$4,881,535	Implemented
Business License Increase	\$360,000	Implemented
Utility Tax Increase	\$1,167,836	Implemented

# General Fund Expenditures - Thru February 2025

Category	Budget	Actual	% Expended	% Over/ Under Expected
Salaries & Benefits	\$186,129,326	\$14,247,380	8%	1%
Professional Services	\$11,103,674	\$308,366	3%	6%
Supplies	\$5,108,099	\$330,657	6%	2%
Intergovernmental Services	\$7,761,921	\$503,602	6%	2%
Other Services	\$17,447,426	\$1,272,049	7%	1%
Capital Outlay	\$24,871,692	\$1,982,343	8%	0%
Interfund Transfers	\$66,200,770	\$6,198,772	9%	-1%
<b>Total</b>	<b>\$318,622,908</b>	<b>\$24,843,169</b>	<b>8%</b>	<b>1%</b>

# Economic Uncertainty and Recession Risk

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



# 2025-2026 General Fund Reserves/Contingencies

Description	Total
Economic Contingency	\$4,645,228
Salary & Benefit Contingency - One-Time	\$5,400,000
Salary & Benefit Contingency - Ongoing	\$4,000,000
Development Review	\$3,619,750
Reserve for Council Projects - Budget	\$75,000
<b>Total General Fund Reserves</b>	<b>\$17,739,978</b>



# Budget Process Update

- 1<sup>st</sup> Quarter 2025 Financial Report in May
- Significant concerns immediately communicated
- Review of performance measures and service enhancement progress in November



# **Thank you**

Any Questions?

