



## Memorandum

**Date:** 5/24/2022  
**Meeting of:** City Council Study Session

**File No.** SS 22-037  
**Type:** Study Session

**TO:** Members of the City Council  
**FROM:** Mayor Angela Birney  
**DEPARTMENT DIRECTOR CONTACT(S):**

Finance	Chip Corder	425-556-2189
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**DEPARTMENT STAFF:**

Finance	Haritha Narra	Financial Planning Manager
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**TITLE:**

2023-2024 Budget Update: Preliminary General Fund Forecast

**OVERVIEW STATEMENT:**

The preliminary General Fund forecast was presented to the Directors' Team on April 5, 2022 as part of the 2023-2024 budget kick-off with staff. The highlights of the forecast, the Mayor's budget direction to staff, noteworthy budget process changes, and the budget calendar will be reviewed by the Finance Director.

☒ **Additional Background Information/Description of Proposal Attached**

**REQUESTED ACTION:**

☒ **Receive Information**      ☐ **Provide Direction**      ☐ **Approve**

**REQUEST RATIONALE:**

- **Relevant Plans/Policies:**  
Fiscal Policies
- **Required:**  
N/A
- **Council Request:**  
N/A
- **Other Key Facts:**  
The General Fund forecast will be finalized in July when the biennial operating budget is balanced, and it will be presented to the City Council on September 6, 2022.

**OUTCOMES:**

A 2.0-4.0% funding gap is projected in the General Fund in 2023-2024 due to the compounding effect of high inflation, which took root in June 2021. In April 2022, the Seattle/Tacoma/Bellevue CPI-W and CPI-U were 8.5% and 9.1%,

respectively. Ongoing revenue growth can't keep pace with expenditure growth.

**COMMUNITY/STAKEHOLDER OUTREACH AND INVOLVEMENT:**

- **Timeline (previous or planned):**  
N/A
- **Outreach Methods and Results:**  
N/A
- **Feedback Summary:**  
N/A

**BUDGET IMPACT:**

**Total Cost:**  
N/A

**Approved in current biennial budget:** ☐ Yes ☐ No ☒ N/A

**Budget Offer Number:**  
N/A

**Budget Priority:**  
N/A

**Other budget impacts or additional costs:** ☐ Yes ☐ No ☒ N/A

*If yes, explain:*  
N/A

**Funding source(s):**  
N/A

**Budget/Funding Constraints:**  
N/A

☐ Additional budget details attached

**COUNCIL REVIEW:**

**Previous Contact(s)**

Date	Meeting	Requested Action
N/A	Item has not been presented to Council	N/A

**Proposed Upcoming Contact(s)**

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Date	Meeting	Requested Action
N/A	None proposed at this time	N/A

**Time Constraints:**

N/A

**ANTICIPATED RESULT IF NOT APPROVED:**

N/A

**ATTACHMENTS:**

2023-2024 Budget Update: Preliminary General Fund Forecast