

# Office of Economic and Revenue Forecasts

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<http://www.seattle.gov/economic-and-revenue-forecasts>

## Department Overview

In July 2021 via Council Bill 120124, the City Council created the Office of Economic and Revenue Forecasts. The office's responsibilities, as stated in the legislation, are to staff the Economic and Revenue Forecast Council, perform economic and revenue forecasts, conduct special studies at the request of the Forecast Council and provide ad hoc analytical support on economic and revenue estimation for legislative and executive staff consistent with the work program. Such analyses are to be nonpartisan and confidential to the extent allowed by law.

The legislation also established the Economic and Revenue Forecast Council which shall receive and review the general forecasts of local economic activity and the specific forecasts of the revenues that support the City's general government programs and services. The forecasts approved by the Forecast Council by the Director of the Office of Economic and Revenue Forecasts are the official city economic and revenue forecasts and shall serve as the basis for the estimates of revenues used for the Proposed and Adopted budgets as described in RCW 35.32A.030 and 35.32A.040, provided that the Mayor or Council shall have the authority to deviate from the official forecasts as provided in Section 3.44.010. The Forecast Council shall be composed of the Mayor or designee, the Director of Finance, the Council President or designee, and the Chair of the City Council Finance Committee or designee. If the Council President and the Chair of the Council Finance Committee are the same individual, the position held by the Chair of the Council Finance Committee shall be determined by the Council President. The Forecast Council shall select one member to serve as Chair of the Forecast Council annually.

## Budget Snapshot

	2022 Actuals	2023 Adopted	2024 Endorsed	2024 Proposed
<b>Department Support</b>				
General Fund Support	559,381	702,468	706,419	840,469
<b>Total Operations</b>	<b>559,381</b>	<b>702,468</b>	<b>706,419</b>	<b>840,469</b>
<b>Total Appropriations</b>	<b>559,381</b>	<b>702,468</b>	<b>706,419</b>	<b>840,469</b>
Full-Time Equivalent Total*	3.00	3.00	3.00	3.00

\* FTE totals are provided for informational purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here

## Office of Economic and Revenue Forecasts

### Incremental Budget Changes

#### Office of Economic and Revenue Forecasts

	2024 Budget	FTE
<b>Total 2024 Endorsed Budget</b>	<b>706,419</b>	<b>3.00</b>
<b>Baseline</b>		
Citywide Adjustments for Standard Cost Changes	8,950	-
<b>Proposed Operating</b>		
Data Subscription Renewal	125,100	-
<b>Total Incremental Changes</b>	<b>\$134,050</b>	<b>-</b>
<b>Total 2024 Proposed Budget</b>	<b>\$840,469</b>	<b>3.00</b>

### Description of Incremental Budget Changes

#### Baseline

##### Citywide Adjustments for Standard Cost Changes

Expenditures \$8,950

Citywide technical adjustments made in the baseline phase reflect changes to internal services costs, including rates from the Department of Finance & Administrative Services, Seattle Information Technology Department, Seattle Department of Human Resources, and for healthcare, retirement, and industrial insurance charges for the department. These adjustments reflect initial assumptions about these costs and inflators early in the budget process.

#### Proposed Operating

##### Data Subscription Renewal

Expenditures \$125,100

The City's 2024 Proposed Mid-Biennial Budget appropriates approximately \$301 million in JumpStart Payroll Expense Tax (payroll tax) proceeds, of which \$7 million is allocated to the evaluation and administration of the Payroll Expense Tax. This appropriation increase is to renew a data subscription administered by the Office of Economic and Revenue Forecasts and used directly in forecasting the Payroll Expense Tax and to support the modeling and forecasting of other significant revenue streams. The initial subscription was entered into to test the value of these data, and they have proven very useful in the forecasting process. This payroll tax increase provides resources to secure a lower 2-year total renewal cost relative to consecutive single-year renewals.

# Office of Economic and Revenue Forecasts

## 2023-24 Proposed Mid-Biennial Budget Adjustments - Expenses

Budget Summary Level	Fund	Budget Process Phase Endorsed	Proposed Changes	Grand Total
Economic and Revenue Forecasts	00100 - General Fund	706,419	134,050	840,469
<b>Economic and Revenue Forecasts Total</b>		<b>706,419</b>	<b>134,050</b>	<b>840,469</b>
<b>Grand Total</b>		<b>706,419</b>	<b>134,050</b>	<b>840,469</b>