

# 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 to 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 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 has the authority to deviate from the official forecasts as provided in Section 3.44.010. The Forecast Council is 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 is determined by the Council President. The Forecast Council selects one member to serve as Chair of the Forecast Council annually.

## Budget Snapshot

	2024 Actuals	2025 Adopted	2026 Endorsed	2026 Proposed
<b>Department Support</b>				
General Fund Support	830,373	749,118	911,473	875,301
<b>Total Operations</b>	<b>830,373</b>	<b>749,118</b>	<b>911,473</b>	<b>875,301</b>
<b>Total Appropriations</b>	<b>830,373</b>	<b>749,118</b>	<b>911,473</b>	<b>875,301</b>
Full-Time Equivalents 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*

## Budget Overview

The budget for the Office of Economic and Revenue Forecasts (OERF) fluctuates year-to-year due to the renewal cycle of its forecast data subscriptions and changes with the associated inflationary effects on its services, wages, and central costs. Accordingly, the 2026 Endorsed Budget expected an increase of 21.6% from the 2025 Adopted Budget. Due to adjustments to Citywide wages and retirement contributions, the 2026 Proposed Budget decreases 4.0% from the 2026 Endorsed and increases 16.8% from the 2025 Adopted budgets.

# Office of Economic and Revenue Forecasts

## Incremental Budget Changes

### Office of Economic and Revenue Forecasts

	2026 Budget	FTE
<b>Total 2026 Endorsed Budget</b>	<b>911,473</b>	<b>3.00</b>
<b>Baseline</b>		
Citywide Adjustments for Standard Cost Changes	(26,990)	-
<b>Proposed Technical</b>		
Bargained Annual Wage Adjustment to Base Budget	(8,605)	-
SCERS Retirement Contribution Rate Reduction	(577)	-
<b>Total Incremental Changes</b>	<b>\$(36,172)</b>	<b>-</b>
<b>Total 2026 Proposed Budget</b>	<b>\$875,301</b>	<b>3.00</b>

## Description of Incremental Budget Changes

### Baseline

#### Citywide Adjustments for Standard Cost Changes

Expenditures \$(26,990)

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 and other central cost factors. These adjustments reflect initial assumptions about these costs and inflators early in the budget process.

### Proposed Technical

#### Bargained Annual Wage Adjustment to Base Budget

Expenditures \$(8,605)

This centrally administered change adjusts base budget appropriations to reflect the proper Annual Wage Increase (AWI) increment for 2026, as outlined in the agreements between the City and the Coalition of City Unions for personnel costs. AWI increments are determined based on the average change in the local Consumer Price Index (CPI). This change represents a true-up between the forecasted CPI assumption included in the Endorsed Budget and the actual CPI data.

#### SCERS Retirement Contribution Rate Reduction

Expenditures \$(577)

The City's employee retirement system, the Seattle City Employees Retirement System (SCERS) is a defined benefit pension program funded by a combination of salary-based employer (i.e., the City) and employee contributions, and investment earnings. Based on the updated actuarial valuation for 2025, this item reduces the employer contribution rate from the endorsed rate of 15.17% to the SCERS minimum actuarial required rate of 15.06%.

## Office of Economic and Revenue Forecasts

### Expenditure Overview

	2024 Actuals	2025 Adopted	2026 Endorsed	2026 Proposed
<b>Appropriations</b>				
<b>ERF - BO-ER-10000 - Economic and Revenue Forecasts</b>				
00100 - General Fund	830,373	749,118	911,473	875,301
<b>Total for BSL: BO-ER-10000</b>	<b>830,373</b>	<b>749,118</b>	<b>911,473</b>	<b>875,301</b>
<b>Department Total</b>	<b>830,373</b>	<b>749,118</b>	<b>911,473</b>	<b>875,301</b>
<b>Department Full-Time Equivalents Total*</b>	<b>3.00</b>	<b>3.00</b>	<b>3.00</b>	<b>3.00</b>

*\* 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*

### Budget Summary by Fund Office of Economic and Revenue Forecasts

	2024 Actuals	2025 Adopted	2026 Endorsed	2026 Proposed
00100 - General Fund	830,373	749,118	911,473	875,301
<b>Budget Totals for ERF</b>	<b>830,373</b>	<b>749,118</b>	<b>911,473</b>	<b>875,301</b>

### Appropriations by Budget Summary Level and Program

#### **ERF - BO-ER-10000 - Economic and Revenue Forecasts**

The purpose of the Economic and Revenue Forecasts Budget Summary Level is to provide support to the 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.

<b>Program Expenditures</b>	2024 Actuals	2025 Adopted	2026 Endorsed	2026 Proposed
Economic and Revenue Forecasts	830,373	749,118	911,473	875,301
<b>Total</b>	<b>830,373</b>	<b>749,118</b>	<b>911,473</b>	<b>875,301</b>
Full-time Equivalents 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*