



# **Sweetened Beverage Tax Community Advisory Board Meeting**

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**April 24, 2026**

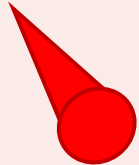
# Agenda

- Welcome & Public Comment (5 min) - **All**
  1. CAB Members
  2. City Staff
  3. General Public
- CAB's Role in the Budget Process (5 min) - **OSE**
- April Revenue Forecast (40 min) - **CBO**
- CAB Discussion on Budget Recommendations (60 min) - **CAB**

# City Budget Process Timeline

JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN
City Budget Office (CBO) Prepares Budget Guidance			Depts Prepare Proposals		CBO and Mayor's Office Review and Finalize Proposed Budget				Council Reviews, Modifies, and Adopts			Budget Goes into Effect
			Revenue Update	<b>You Are Here</b>						Revenue Update		
			CAB Discusses and Finalizes Budget Recommendations; Send Memo to Mayor						CAB Reviews Proposed Budget; Sends Memo to City Council			
									Public Hearings on the Proposed Budget			

# CAB Process Timeline

Anticipated Topics:	
<b>April Meeting (Today!)</b>  <b>You Are Here</b>	<ul style="list-style-type: none"><li>• Review April Revenue Forecast</li><li>• Review current SBT investments<ul style="list-style-type: none"><li>• Review other funding sources supporting food and early learning</li></ul></li><li>• Discuss approach to budget recommendations</li><li>• Identify information needs</li></ul>
<b>May Meeting</b>	<ul style="list-style-type: none"><li>• Review/discuss additional information provided</li><li>• Decide on key points to convey in the letter</li><li>• Approve the CAB's Executive Committee to start drafting the letter</li></ul>
<b>(Between meetings, led by CAB Executive Committee with )</b>	<ul style="list-style-type: none"><li>• Review draft letter (on your own time/asynchronous work)</li><li>• Finalize letter and transmit to Mayor</li></ul>
<b>June Meeting (if needed)</b>	

# April Revenue Forecast

(Akshay Iyengar, City Budget Office)

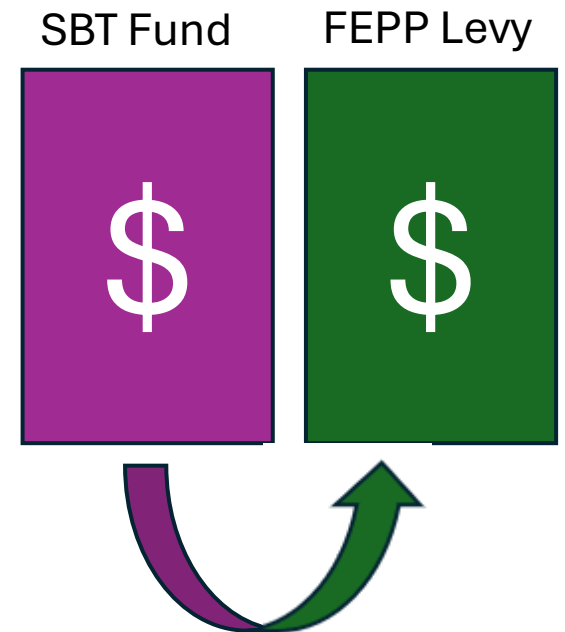
# **SBT Fund - 2026 Adopted Budget**

# SBT Fund – 2026 Adopted Budget

## Sweetened Beverage Tax Fund (00155)

Amounts in \$1,000s	2024 Actuals	2025 Adopted	2025 Legislated	2025 Revised	2026 Adopted	2027 Projected	2028 Projected	2029 Projected
<b>Beginning Budgetary Fund Balance</b>								
Beginning Balance Sheet Fund Balance	8,480	3,039	9,959	9,959	1,525			
Budgetary Fund Balance Adjustment	228		100	100				
<i>Beginning Budgetary Fund Balance</i>	8,708	3,039	10,059	10,059	1,525	1,662	147	(2,106)
<b>Sources of Funds</b>								
Sweetened Beverage Tax	20,345	21,327	21,968	20,295	22,338	21,352	21,072	21,545
Transfer from Payroll Expense Tax Fund (14500)	1,200	0	0	0	0	0	0	0
<i>Total Budgetary Revenues</i>	21,545	21,327	21,968	20,295	22,338	21,352	21,072	21,545
<b>Expenditures</b>								
Department of Education and Early Learning	5,709	8,023	11,957	11,557				
Department of Neighborhoods	2,994	2,984	5,386	5,226	2,785	2,868	2,926	2,984
Human Services Department	4,878	5,558	5,649	5,349	12,633	13,012	13,272	13,537
Office of Sustainability and Environment	6,380	6,337	6,390	6,390	6,427	6,620	6,752	6,888
Seattle Parks and Recreation	235	346	346	306	356	367	374	382
<i>Total Budgetary Expenditures</i>	20,195	23,248	29,728	28,828	22,201	22,867	23,324	23,791
<i>Ending Balance Sheet Adjustment</i>	0							
<i>Ending Budgetary Fund Balance</i>	10,059	1,118	2,299	1,525	1,662	147	(2,106)	(4,352)
<b>Planning Reserves</b>								
Revenue Stabilization Reserve	0	0	0	0	1,000	0	0	0
Planning Reserve	0	0	0	0	0	0	0	0
<i>Total Reserves</i>	0	0	0	0	1,000	0	0	0
<i>Ending Unreserved Budgetary Fund Balance</i>	10,059	1,118	2,299	1,525	662	147	(2,106)	(4,352)

\$7.4M in DEEL early learning programs shifted from SBT to FEPP Levy



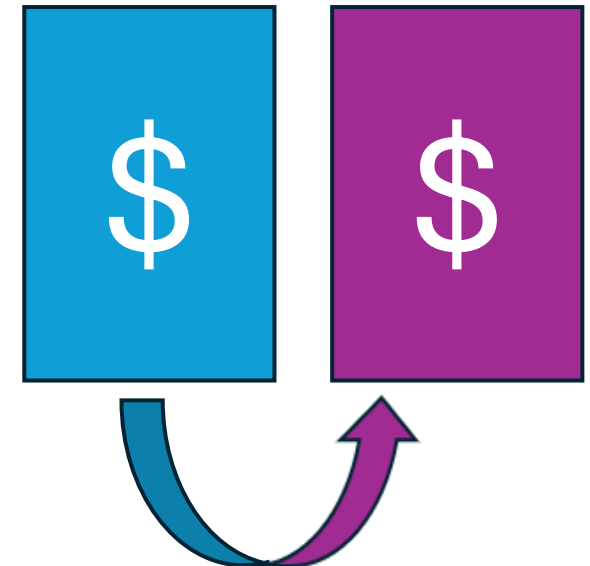
# SBT Fund – 2026 Adopted Budget (HSD)

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\$7.2M in HSD food security programming shifted from GF to SBT

General Fund      SBT Fund



# SBT Early Learning Investments Moving to the FEPP Levy

Attachment 1 - FEPP Levy Investment Estimates

Investment	Program	Activity	Current Fund Source	2025 Adopted Budget	Year 1 (SY 26-27) Estimates	2025 FEPP 6-Year Total Estimates	Other Notes/Comments
Early Childhood	Childcare	Childcare Assistance Program (CCAP)	GF / SBT / FEL	\$5,040,000	\$15,787,000	\$91,258,000	Estimate based on 1,400 families receiving an average of \$6,560 annually by Year 6
		Childcare Health Consultation	SBT	\$1,044,000	\$1,243,000	\$8,043,000	
		Homeless Childcare Subsidies	FEPP 2018	\$400,000	\$500,000	\$3,234,000	250 families projected to be served annually by Year 6
		Program Labor	GF / SBT	\$3,252,000	\$3,416,000	\$18,468,000	
		SPP Extended Daycare	FEPP 2018	\$1,640,000	\$4,349,000	\$30,491,000	560 families projected to be served annually by Year 6
	Childcare Workers	Childcare Worker Supports	GF	\$0	\$2,750,000	\$18,471,000	\$2.9M PET was allocated in the 2024 Adopted Budget. 5,000 workers projected to be served annually by Year 6
	Prenatal-to-3	Developmental Bridge	SBT	\$523,000	\$615,000	\$3,977,000	175 families projected to be served annually by Year 6
		Nurse Family Partnership	GF	\$2,736,000	\$2,902,000	\$18,772,000	340 families projected to be served annually by Year 6
		ParentChild+	GF / SBT / FEL	\$1,528,000	\$1,475,000	\$9,543,000	275 families projected to be served annually by Year 6
	Seattle Preschool Program (SPP)	Childcare Health Consultation	FEPP 2018	\$2,030,000	\$2,103,000	\$14,763,000	3,100 families projected to be served annually by Year 6
		Program Labor	FEPP 2018	\$7,729,000	\$8,395,000	\$56,389,000	No new positions; higher costs due to AWI
		SPP Classrooms and Supports	FEPP 2018	\$38,322,000	\$47,487,000	\$332,113,000	
		SPP Dual Language	FEPP 2018	\$220,000	\$337,000	\$3,959,000	840 (out of a total 3,100) families estimated to be served annually by year 6
		SPP Quality Teaching	FEPP 2018	\$2,786,000	\$2,321,000	\$15,013,000	
	SPP Summer School	FEPP 2018	\$2,750,000	\$2,765,000	\$19,403,000	1,460 families projected to be served annually by Year 6	
Reserve	Cost and Risk Reserve		\$0	\$2,004,000	\$14,345,000	A 2.5% "cost and risk reserve" to address potential unforeseen cost increases, considered best practice	
<b>Early Childhood Total</b>				<b>\$70,000,000</b>	<b>\$98,450,000</b>	<b>\$658,245,000</b>	

## Moving to the FEPP Levy:

- Child Care Assistance Program
- Childcare Health Consultation
- Program Labor (staffing)
- Developmental Bridge
- ParentChild+

## No identified funding source:

- ❌ DEEL's Prenatal-to-Three Community Grant Program is not moving to the FEPP Levy. Not currently funded beyond [current 2025 cycle](#). Grantees will finish their work in 2027.

# SBT Fund – 2026 Adopted Budget (Programs)

Department	2026 Adopted Budget (SBT)	Programs
Department of Education and Early Learning (DEEL)	-	<i>none</i>
Department of Neighborhoods (DON)	\$2,785,000	Food Equity Fund
Human Services Department (HSD)	\$12,633,000	Food Banks & Home Grocery Delivery* Community Meals Programs Food Distribution & Sourcing^ Farm to Preschool Summer Meals Child Care Nutrition
Office of Sustainability & Environment (OSE)	\$6,427,000	Fresh Bucks Healthy Food in Schools Food Action Plan staff and admin
Seattle Parks & Recreation (SPR)	\$356,000	Food & Recreation site staff and admin
<b>TOTAL</b>	<b>\$22,201,000</b>	

\*Food bank funding includes support for onsite, mobile, and school-based food distribution, as well as home grocery delivery

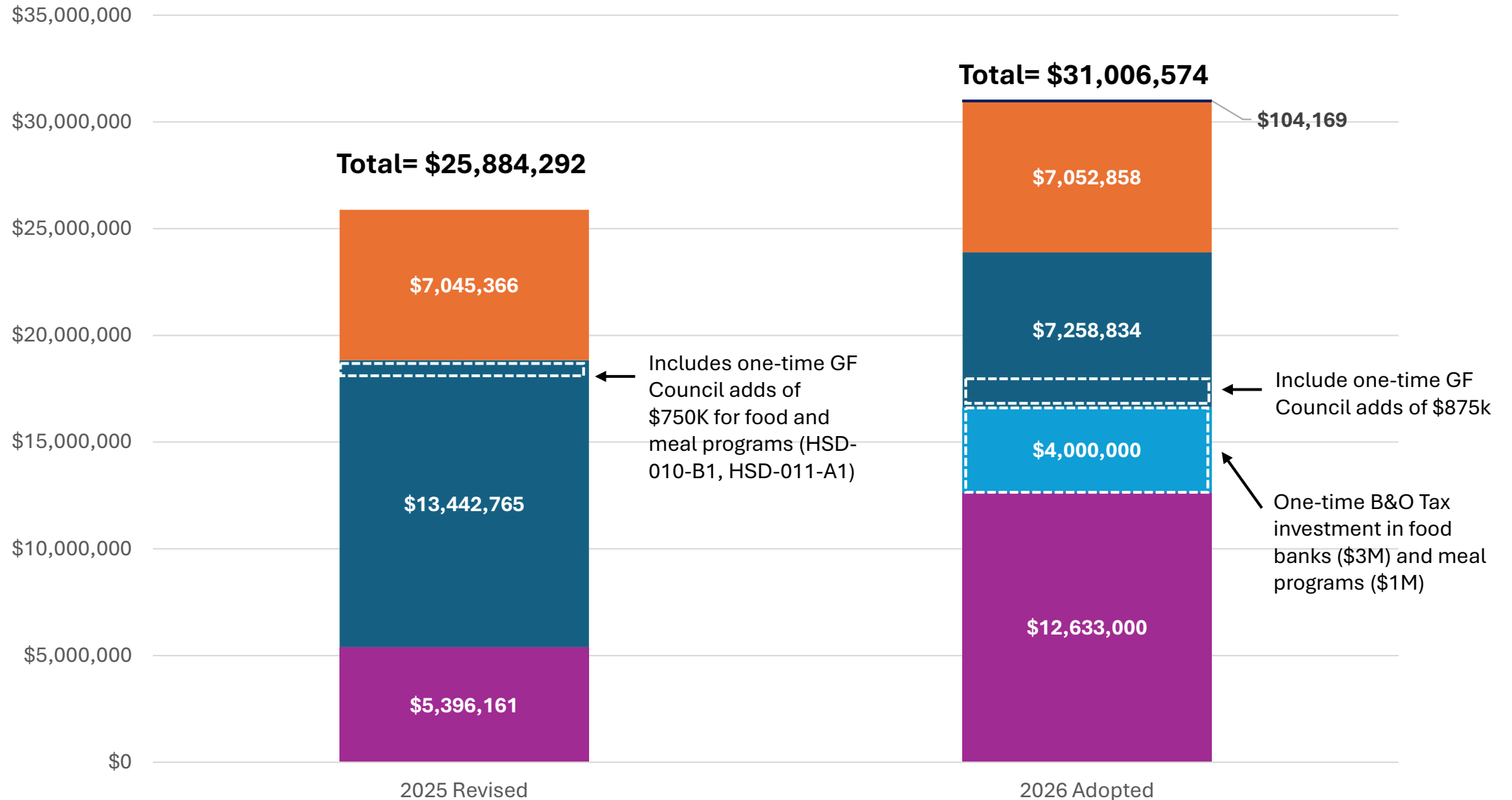
^Food Distribution & Sourcing funding supports bulking buying and delivery of produce, grains, proteins, and staples at food banks and meal programs; also includes coordination & training across food banks and meal programs


# For More Information on these Programs

Department	SBT Funded Programs	More Information
Department of Education and Early Learning <b>(DEEL)</b>	<i>Previously: Prenatal-to-Three Grant Program</i>	<a href="#">Annual Report</a> (draft) / Page
Department of Neighborhoods <b>(DON)</b>	Food Equity Fund	<a href="#">Annual Report</a> (draft) / Page 16
Human Services Department <b>(HSD)</b>	Food Banks & Home Grocery Delivery* Community Meals Programs Food Distribution & Sourcing^ Farm to Preschool Summer Meals Child Care Nutrition	<a href="#">Annual Report</a> (draft) / Page 21 <a href="#">Annual Report</a> (draft) / Page 23 <a href="#">Annual Report</a> (draft) / Page 21-24 <a href="#">Annual Report</a> (draft) / Page 25 <a href="#">Food Action Plan Report</a> / Page 26 <a href="#">Food Action Plan Report</a> / Page 26
Office of Sustainability & Environment <b>(OSE)</b>	Fresh Bucks Healthy Food in Schools Food Action Plan staff and admin	<a href="#">Annual Report</a> (draft) / Page 14 <a href="#">Annual Report</a> (draft) / Page 26 <a href="#">Food Action Plan</a>
Seattle Parks & Recreation <b>(SPR)</b>	Food & Recreation site staff and admin	

# **Other Funding in the 2026 Adopted Budget for Food and Early Learning**

# HSD Food and Nutrition Budget (2025 Revised vs. 2026 Adopted)



 = one-time funding

■ SBT   
 ■ B&O Tax   
 ■ GF   
 ■ HSD Fund (external grants)   
 ■ FEPP Levy

# Food Banks – 2026 Adopted Budget

2026 Food Bank Funding <sup>1</sup> – TOTAL		\$8,958,529
One-Time Investments	<ul style="list-style-type: none"> <li>• <b>\$3 million</b> from Business &amp; Occupation (B&amp;O) Tax<sup>2</sup></li> <li>• <b>\$150,000</b> from General Fund (GF) (<a href="#">HSD-004-B</a>)<sup>3</sup></li> <li>• <b>\$375,000</b> from General Fund (GF) to support Food and Homelessness Services<sup>4</sup></li> <li>• <b>\$250,000</b> from GF to support food delivery service at Magnuson Park</li> </ul>	<b>\$3,775,000</b>
Ongoing Investments	<ul style="list-style-type: none"> <li>• <b>\$5,183,529</b> SBT</li> </ul>	<b>\$5,183,529</b>

## Notes:

1. Food bank funding includes support for onsite, mobile, and school-based food distribution, as well as home grocery delivery. Total does not include food bank coalition support or additional food bulk purchased for food banks through food distribution and sourcing.
2. The B&O Tax is essentially General Fund, but it was named specifically in the 2026 budget since there were was a tax increase on large businesses.
3. One-time Council Budget Add (CBA) in 2025 and 2026
4. Council identified **specific organizations** to receive this funding (see [2026 Adopted Budget / Page 167](#) for details)

# Fresh Bucks – 2026 Adopted Budget

2026 Fresh Bucks Funding – TOTAL		\$11.7M
One-Time Investments^	<ul style="list-style-type: none"><li>• <b>\$6.2 million</b> from B&amp;O Tax</li></ul>	<b>\$6.2M</b>
Ongoing Investments	<ul style="list-style-type: none"><li>• <b>\$4.1 million</b> SBT</li><li>• <b>\$1.4 million</b> GF</li></ul>	<b>\$5.5M</b>

^One-time investments in 2026 nearly doubled the City’s investments in Fresh Bucks to increase the monthly participant benefit by 50% to \$60 a month and serving everyone on the 2025 waitlist (4,500+ households).

# Other New Food Access Investments (not SBT funded) - 2026 Adopted Budget

The 2026 Adopted Budget includes the following [one-time investments](#):

- **Fresh Bucks: \$6.2 million** (B&O Tax) to increase the monthly benefit from \$40 to \$60 and serve everyone on its more than 4,000-person waitlist. (*Office of Sustainability & Environment, OSE*)
- **Food Banks: \$3.8 million**
  - \$3 million (B&O Tax)
  - \$375,000 (GF) to support food and homelessness services (goes to specific organizations identified by Council)
  - \$250,000 for food bank delivery services to low-income and affordable housing at Magnuson Park.
  - \$150,000 from General Fund (GF) ([HSD-004-B](#))
- **Meal Programs: \$1 million** (B&O Tax) for hot meal programs, plus **\$250,000** investment in meals specifically for seniors.
- **Support for Small Grocers: \$700,000** (B&O Tax) to support new and expanding small grocery businesses in Seattle with a focus on food deserts.
- **Farmers markets: \$327,000** (B&O Tax) to expand farmers markets in food deserts. That includes:
  - \$200,000 to support farmers markets in neighborhoods with food deserts in West and South Seattle.
  - \$127,000 for the Seattle Neighborhood Farmers Markets to expand the Lake City Farmers Market (*OSE*)

# FEPP Levy - 2026 Adopted Budget

- The Families, Education, Preschool and Promise (FEPP) Levy was approved by voters in November 2025.
- Adds \$1.3 billion over the term of the levy for education support services for Seattle children, youth, and families.
- Includes **\$18.5 million** in the 2026-27 school year to more than double access to affordable childcare slots to 1,400 a year and provide direct payments to support the retention of 5,000 childcare workers citywide.
- “Food assistance” is now an eligible expense in the K-12 category of the FEPP Levy.
- ***More details to come*** - DEEL will release the FEPP Levy Implementation & Evaluation Plan very soon.

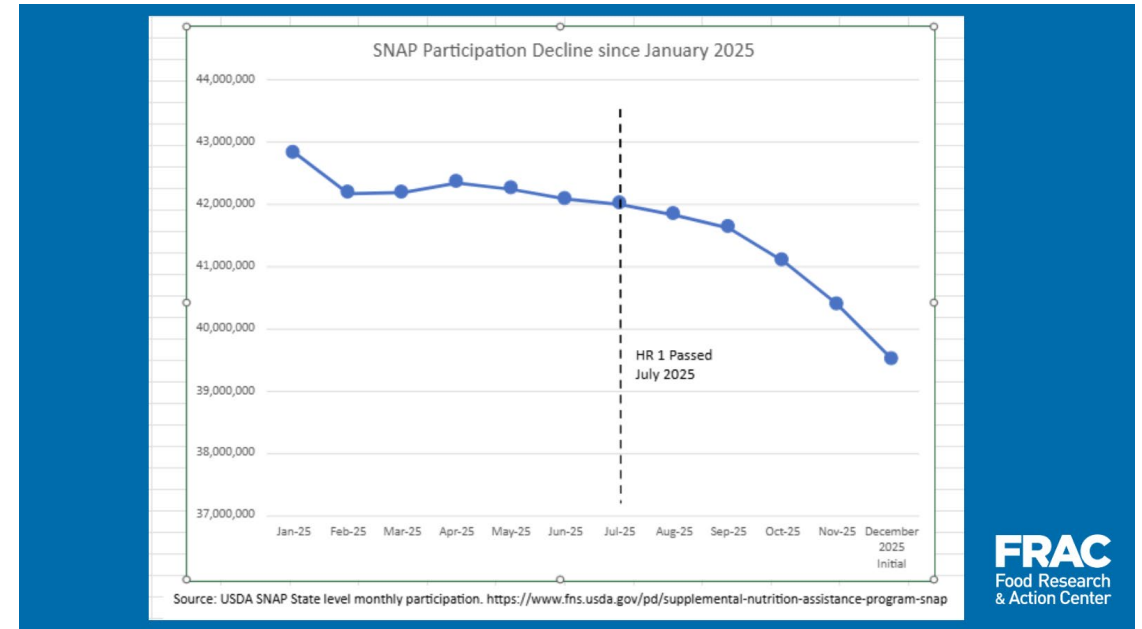
# **Demand for Food Assistance**

# City Programs

- **Fresh Bucks:** After clearing the December 2025 waitlist, roughly 2,000 people are currently on the waitlist. Approximately 1,000 households apply monthly.
- **Food Banks:** 7% increase in visits from 2024 to 2025. Home grocery delivery by food banks showed an 11% increase from 2024 to 2025.
- **Meal Programs:** 4% increase in meals distributed from 2024 to 2025
- **Food Equity Fund:** Receives eligible project applications for 4-5x the available funding

# SNAP Participation

- The provisions in the budget reconciliation law, H.R. 1 were designed to reduced participation.
- SNAP case loads in WA have decreased **4%** since 2025, amid rising food costs and economic instability.



[A Deliberate Policy Design for Decline in SNAP Participation, and the Consequences We Are Already Seeing - Food Research & Action Center](#)

# CAB Discussion

# Goals for Today's Discussion

1. Discuss how the CAB wants to approach its budget recommendations
2. Identify additional information the CAB needs/wants to develop its recommendations

# Discussion Flow

1. Ground ourselves in the CAB Values and Budget Principles
2. Review and discuss a ***proposed approach*** to budget recommendations
3. Identify what other information CAB needs to inform budget recommendations

# CAB Values & Budget Principals

[Values\\_BudgetPrinciples\\_MeetingAgreements\\_2026Updates.pdf](#)

## CAB Values

- Racial Justice and Social Equity
- Cultural Humility
- Voice of the Community
- Multiple Ways of Knowing
- Transparency
- Accountability
- Trust

## CAB Budget Principals

- Priority Populations
- Place-based Focus Areas
- Community-driven
- Culturally Responsive
- Address immediate needs and focus on systems change
- No Supplantation

 Indicates a recently updated or revised value

# Values Reflection

When you think about the CAB's core values and budget principles that guide your work, what does it look like to fully live into those values in a year where funding is stable, but not growing?

Which values feel most important to uphold as you think about sustaining and strengthening current investments, and how should those values show up in the decisions you make this year?

# CAB's Scenario-Based Approach to Past Budget Recommendations

Scenario	CAB's Past Recommendations
<p><b>SBT Fund has a Deficit</b></p> <p>Possible scenario in “out years” (after 2027)</p>	<ul style="list-style-type: none"> <li>• Make no cuts to SBT-funded programs.</li> <li>• Backfill with other funding sources.</li> <li>• Look for where can SBT programs/services can absorb minor reductions with minimal disruption.</li> </ul>
<p><b>SBT Fund is Balanced</b></p> <p>Likely scenario in 2026</p>	<ul style="list-style-type: none"> <li>• Stay the course.</li> <li>• Ensure SBT programs remain effective, equitable, and response to community needs.</li> </ul>
<p><b>SBT Fund has a Surplus</b></p> <p>Highly unlikely</p>	<ul style="list-style-type: none"> <li>• Add to the SBT Fund's Planning and Stabilization Reserve</li> <li>• Identify where targeted enhancements would make the biggest difference.</li> </ul>

# SBT Fund – Current Snapshot

- SBT Fund currently balanced for 2027
- Out of balance for 2028
- City will have to present a balanced budget through 2030 in the Proposed Budget

\$s in 1000s	2026	2026	2027	2028	2029
	Adopted	Revised	Projected	Projected	Projected
<b>Beginning Balance</b>	1,525	8,588	1,792	1,304	(782)
<b>Revenue</b>	22,338	22,754	21,379	21,239	21,545
<b>Expenditures</b>	<b>22,201</b>	<b>28,550</b>	<b>22,867</b>	<b>23,324</b>	<b>23,791</b>
DEEL	0	4,108	--	--	--
DON	2,785	4,875	2,868	2,926	2,984
HSD	12,633	12,633	13,012	13,272	13,537
OSE	6,427	6,577	6,620	6,752	6,888
SPR	356	356	367	374	382
<b>Ending Balance</b>	<b>1,662</b>	<b>2,792</b>	<b>1,304</b>	<b>(782)</b>	<b>(3,028)</b>
Reserve	1,000	1,000	1,000	--	--
<b>Ending - Unreserved</b>	<b>662</b>	<b>1,792</b>	<b>304</b>	<b>(782)</b>	<b>(3,028)</b>

*Note: 2026 "Revised Budget" includes carryforwards of contracted (encumbered) or unspent 2025 appropriations.*

# Underlying assumptions with this approach...

- Recognizes that SBT Fund supports mature, ongoing programs
- Uses a sustain + strengthen approach
  - **Sustain** continuity of key programs and services
  - **Strengthen** existing programs and services
- No major additions or eliminations of programs/services
- No large-scale reallocation across the portfolio

# Scenario- Based Budgeting Reflection

In addition to your values, does this framework and assumptions feel like a clear and workable way to guide your budget recommendations this year?

Are there any refinements that would make this more useful or clearer to you?

## **Examples of special topics CAB may want to address:**

- Fund swaps (no supplementation issue)
- Prenatal-to-Three Community Grant Program
- Sustaining one-time investments in ongoing programs

# Information Needs

What additional information does the CAB need to make budget recommendations?