



CITY OF SEATAC APPROVES 2017-2018 BIENNIAL BUDGET

Service levels, staff levels and reserve maintained for biennium

SeaTac, WA (December 6, 2016) - The SeaTac City Council adopted the biennial budget for 2017-2018 at the November 22, 2016 Regular Council Meeting following five budget workshops in October and November.

Originally, the City faced a projected revenue shortfall of \$1.3 million in 2016 due to the elimination of the City's Utility Tax. However, implementation of a managed reduction program in early 2016, coupled with higher revenues due to the growing economy, led to a higher-than-projected year-end balance.

The Council made challenging decisions to maintain long-term fiscal solvency and to meet established transparency, accountability, and continuous improvement goals, including:

- Restructuring the overall budget to better link revenues with expenditures and reduce the use of property tax dollars to offset costs of user fee-based services,
- Increasing and funding the strategic operating reserve (savings) from 3 to 4 months,
- Reducing the property tax rate from \$2.99/1,000 of assessed valuation to \$2.90/1,000 of assessed valuation as assessed valuation increased by \$200 Million to \$5.1 Billion,
- Negotiating a 3-year collective bargaining agreement which stabilized labor costs and included \$150,000 in savings by changing providers of employee benefits,
- Restoring the one-rate parking tax program eliminating the short-term rate that had led to underfunding of traffic improvements since 2005,
- Adding a patrol officer and probation counselor position to support the City's ongoing public safety programs,
- Adding several limited term employees to support current development-related activities, and
- Establishing monitoring and reporting standards for programs and capital projects, including several one-time analyses of cost-benefit and revenue options for future consideration.

The City's adopted budget provides balanced operating and capital programs that maintain the City's goals of delivering the highest level of services possible and of making strategic decisions for the future.

About the City of SeaTac:

Incorporated in February 1990, the City of SeaTac is located approximately midway between the cities of Seattle and Tacoma. The City of SeaTac is 10 square miles in area

and has a population of 28,251. The City is a vibrant community, economically strong, environmentally sensitive, and people-oriented. The City boundaries surround the Seattle-Tacoma International Airport, (approximately 3 square miles in area) which is owned and operated by the Port of Seattle.

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