Item No. __11b_supp______

Date of Meeting: September 22, 2026_

Proposed 2027 Central Services Budget and Preliminary Port-wide Roll-up Commission Briefing

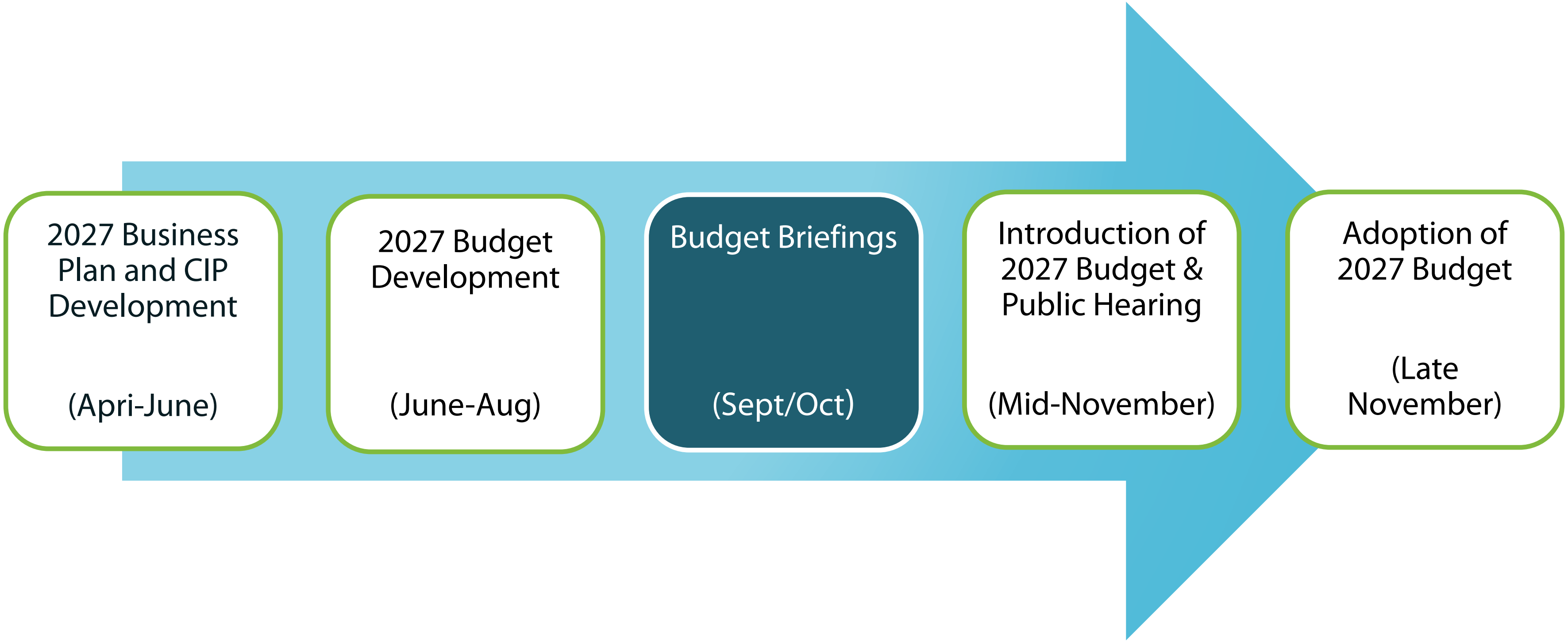
9/22/2026



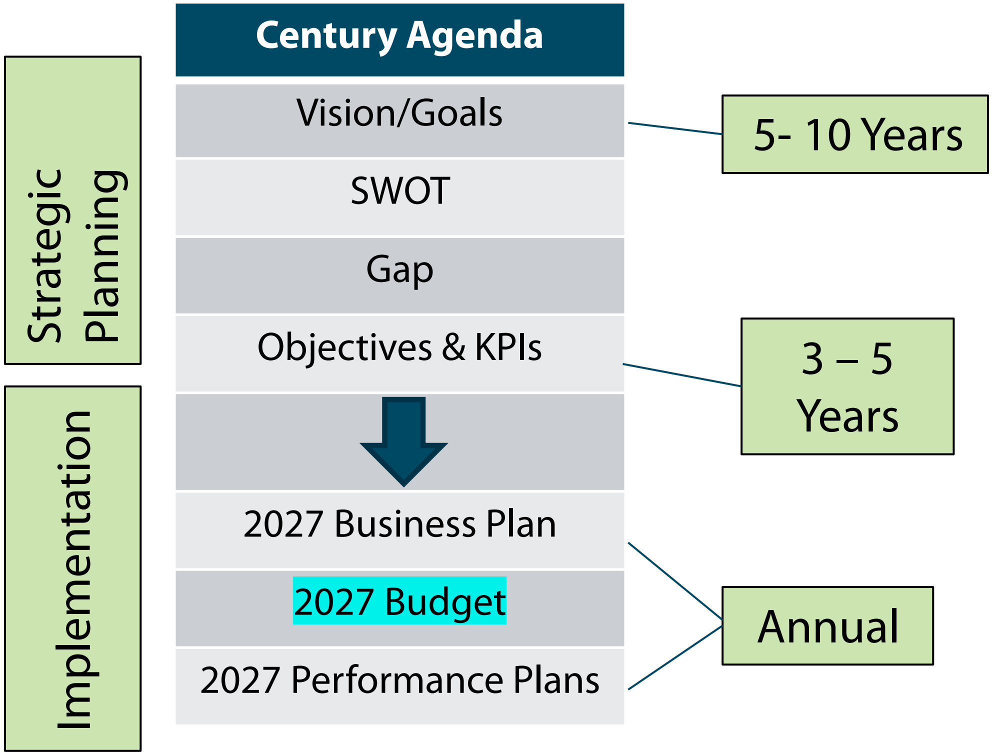

Overview

- 2027 Budget Timeline
- Strategy to Budget Process
- Portwide Budget Rollup
- Central Services Operating budget
- Equity in Budgeting
- Community Programs Summary
- Central Services CIP
- Remaining Budget Schedule

2027 Budget Timeline



Strategy to Budget Process



Environmental Scan Summary

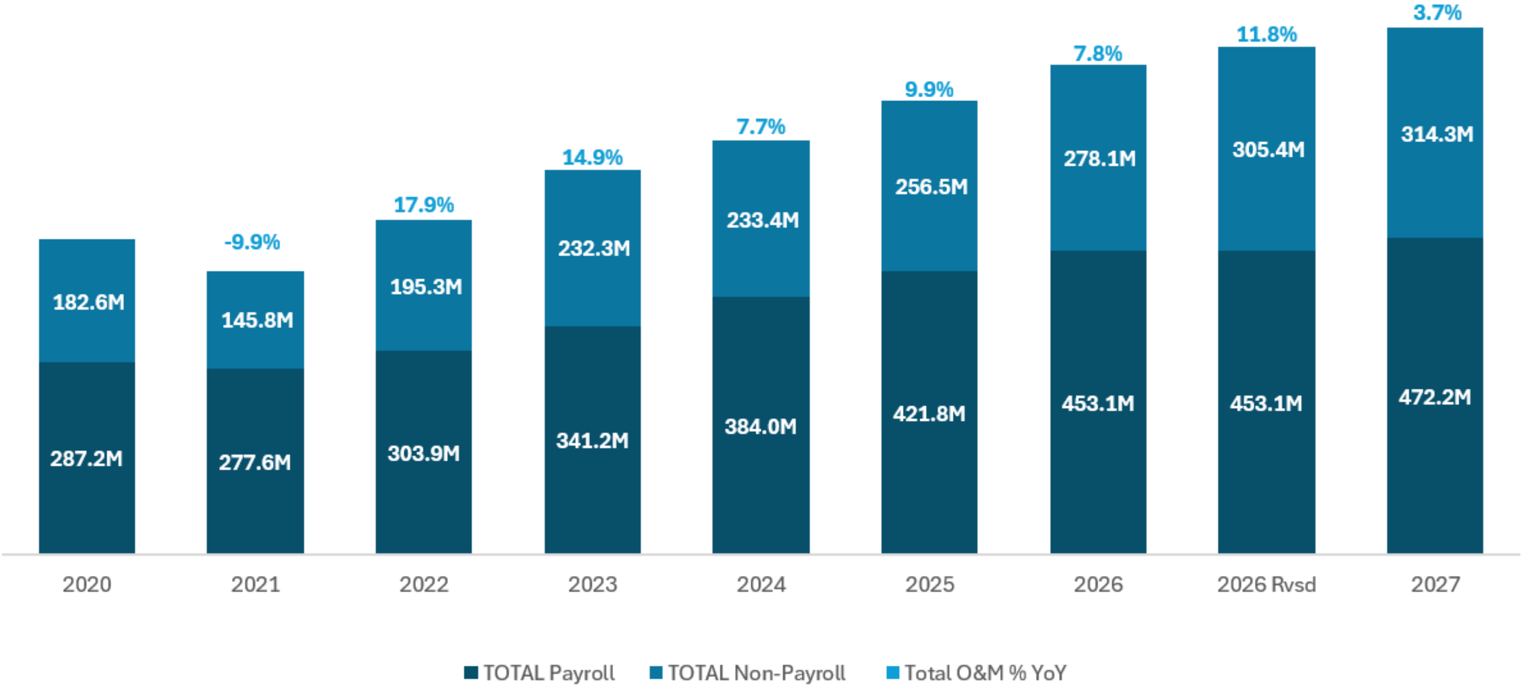
- Unprecedented **political and economic uncertainty**
- Effects of **trade, immigration and other policy actions**
- Post pandemic **growth moderating**
- Multiple years of **rapid expense growth**
- **Federal funding reductions** and **weakening operating revenues**
- **Cuts in federal climate change** programs and funding
- Impact of **increased inflation due to tariffs** on operating, capital and environmental costs
- **Rapid technological advances** including Artificial Intelligence and growing sophistication of cyber threats

2027 Budget Strategies

- Review and prioritize operational needs to **limit expense growth**
- Review the needs to fill **all the vacant positions**
- **Limit new FTEs** to roles that support revenue growth, economic development, or efficiency measures
- Assess **affordability of capital plans** considering increased inflation and revenue risks
- Strengthen the **focus on sustainability, adaptability and resiliency** in spending and business plans

2027 Port-wide Budget Rollup

2020-2027 Port-wide O&M Budget Summary

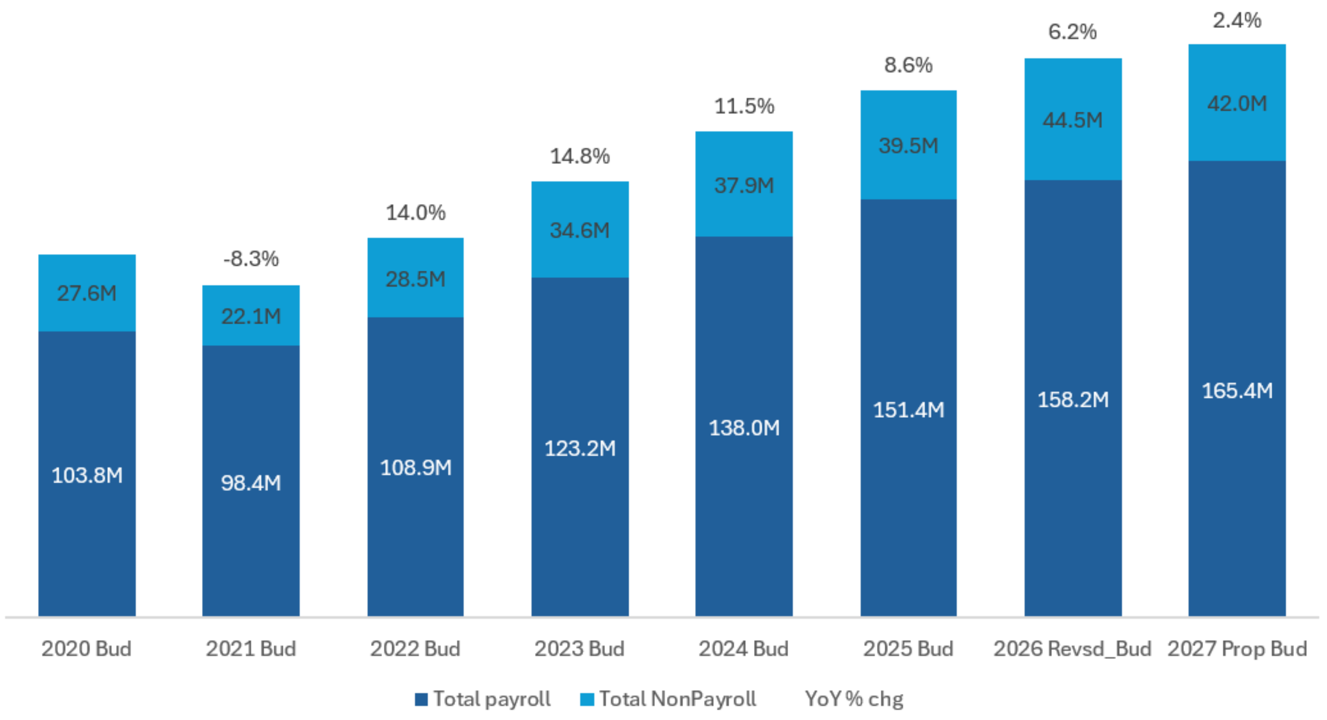


2027 Port-wide O&M Budget Summary

(in $000's)	2023 Actuals	2024 Actuals	2025 Actuals	2026 Budget	2026 Revsd_Bud	2027 Proposed Budget	Inc/(Dec) from 2026 Revsd_Bud $ Change	% Change
Total Payroll Costs (with Capital)	358,865	424,933	458,710	504,483	504,483	517,400	12,917	2.6%
Total Non-Payroll Costs (with Capital)	266,046	312,567	304,923	339,736	367,079	358,268	(8,810)	-2.4%
Total Costs (with Capital)	**624,911**	**737,500**	**763,632**	**844,218**	**871,561**	**875,668**	**4,107**	**0.5%**
Sal/Wage-Cap/Govt/Envrs Proj	(32,448)	(33,047)	(39,024)	(51,431)	(51,431)	(45,185)	6,246	-12.1%
Dept Expense Charged - CapProj	697	785	2,448	0	0	0	0	0.0%
Cap/Govt/Envrs Projects OH	(16,799)	(20,243)	(20,053)	(19,438)	(19,438)	(15,974)	3,464	-17.8%
OnsiteConsult-Cap/Gov/Env Proj	(17,754)	(24,429)	(25,356)	(32,077)	(32,077)	(17,427)	14,650	-45.7%
Total Charges to Capital	**(66,304)**	**(76,934)**	**(81,985)**	**(102,946)**	**(102,946)**	**(78,586)**	**24,360**	**-23.7%**
Total Payroll Expenses	326,417	391,886	419,686	453,052	453,052	472,215	19,163	4.2%
Non-Payroll O&M Expense	224,481	260,755	252,626	278,090	305,432	314,374	8,943	2.9%
O&M Expenses	**550,899**	**652,642**	**672,311**	**731,141**	**758,484**	**786,589**	**28,106**	**3.7%**
GASB 87_96_103 Expenses	14,128	6,731	4,698	35,864	8,521	8,795	274	3.2%
Total Operating Exp GASB Comparable Bas	**565,026**	**659,373**	**677,009**	**767,005**	**767,004**	**795,384**	**28,379**	**3.7%**

Central Services Proposed 2027 Budget

2020-2027 Central Services O&M Budget Summary



2027 Central Services Budget Results

- **Central Services Budget Target**
  - Target: 4.5% Increase compared to the 2026 revised budget
  - Current: 2.4% higher than the 2026 revised budget
- **Payroll & Non-Payroll Budget Summary**
  - Payroll increase $7.2M or 4.5% mainly due to
    - Pay & benefit increase
    - Partially offset by a reduction of 39 filled and unfilled FTEs
  - Non-Payroll decrease $2.5M or 5.6% mainly due to:
    - Lower On-site Consultants cost from Engineering ($9.8M)
    - One-time items in the 2026 revised budget ($3.3M)
    - Partially offset by contractual increases and unbudgeted/under budget items in the 2026 revised budget

Modified ZBB Summary by Dept

Org	Dept Name	FY26 Budget	FY27 Budget	Change from FY26 Budget
01100	Executive Office	786,160	740,586	(45,574)
01200	Commission Office	568,733	566,333	(2,400)
01310	Legal	1,914,878	1,800,165	(114,713)
01330	Risk Management	7,377,834	7,383,834	6,000
01400	External Relations	5,818,750	5,657,076	(157,374)
01460	OEDI	758,035	626,835	(131,200)
01500	Business Intelligence	553,566	490,866	(62,700)
01600	Engineering	24,758,947	23,939,229	(819,718)
01700	PCS	1,562,079	1,535,039	(27,040)
01800	Human Resources	2,225,519	2,158,168	(67,351)
01810	Labor Relations	69,274	64,716	(4,558)
01900	ICT	15,029,951	15,788,277	758,326
01980	Info Sec	1,552,912	1,552,912	-
02100	Finance & Budget	243,746	201,219	(42,527)
02200	AFR	997,941	1,015,301	17,360
02280	Internal Audit	69,980	81,180	11,200
02400	OSI	188,804	183,804	(5,000)
02700	E&S COE	1,099,490	929,490	(170,000)
04300	Police	4,924,758	7,214,064	2,289,306
09200	CPO	650,200	578,855	(71,345)
Grand Total		**71,151,556**	**72,507,948**	**1,360,693**

ICT (1900)

• Microsoft Enterprise: increases by $528K driven primarily by higher costs in the Enterprise Agreement, Azure consumables, and Defender overages.

• Checkpoint: increases by $216K

Police (4300)

• $1.8M increase in Outside Services is primarily driven by SCORE (Jail) at $1.2M, City of SeaTac Court fees at $580K, and Public Defender costs at $75K.

***Excluding ICT and Police, the total budget reduction is $1,687K**

2027 Central Services Payroll Budget

- COLA @ 2.0% and average Pay for Performance increase @ 1.76% for non-rep employees
- Represented employees based on union contracts
- Benefits cost based on HR Budget Guidelines
- Annualized payroll for the new FTEs in 2026 budget
- Added the mid-year approved new FTEs to the baseline
- Eliminated 39 FTEs
- Used 2.0% vacancy factor, instead of 4.0% in the 2026 budget
- Payroll budget is pre-populated into the budget system

2027 Central Services FTEs Summary

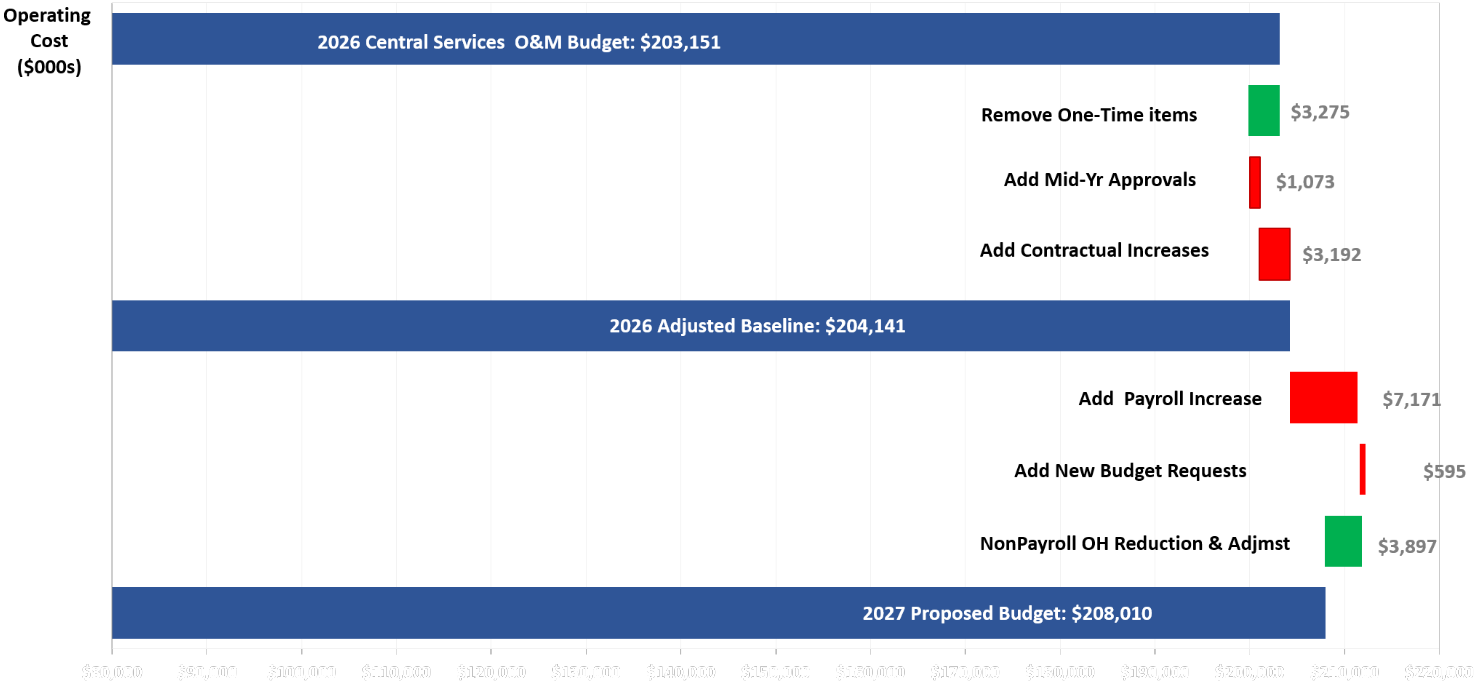
Description	FTEs	Notes
2026 Approved Budget	**985.0**	
Changes in 2026:		
Mid-Year Approvals	1.5	1.0 Police, 0.50 Ext Rel
Eliminated	-3.6	1.0 CPO, 1.0 Commission, 1.0 LR, 0.55 LTD EDI
Transfer	-5.0	5.0 WFD transferred to ED
2026 Baseline	**977.9**	
2027 Budget Changes:		
Transfer	0.0	
Eliminated	-39.0	23.0 ENG, 12.0 PCS, 4.0 CPO
New FTEs Approved	2.0	2.0 Police
Repurposed	-2.0	2.0 Police
Net Change	**-39.0**	
2027 Proposed FTEs	**938.9**	

Note: 39.0 FTEs to be eliminated in 2027 include filled and unfilled positions. Police will repurpose 2 vacant to accommodate 2 new approved FTEs

2027 Central Services Non-Payroll Budget

- Baseline Target: Based on the Modified ZBB Results
- Exceptions:
  - Property Rentals
  - Insurance
  - Utilities
  - Worker's Comp & OPEB
- Budget Adjustments Include:
  - One-Time Items in the 2026 budget
  - Mid-Year Approvals
  - Contractual Increases
  - Other Budget Adjustments

2027 Operating Expense Budget Changes



2027 Baseline Budget Summary

Description (in $000s)	**Amount**	**%**	**Notes**
2026 Revisd Budget for Central Services	**203,151**		2026 Revised Budget for Central Services
Minus: 2026 One-Time Items	**(3,275)**	-1.6%	Exclude the one-time items
Add: Mid-Year Approvals	**1,073**	0.5%	Include 2026 mid-year approvals
Add: Contractual Increase	**3,192**	1.6%	Include 2027 planned contractual increases
Adjusted 2026 Baseline Budget	**204,141**	**0.5%**	Change from 2026 revised budget
Payroll Increase	**7,171**	3.5%	As a percentage of the 2026 revised budget
Non-Payroll Change	**(2,480)**	-1.2%	As a percentage of the 2026 revised budget
2027 Baseline Budget	**208,010**	**2.3%**	As a percentage of the 2026 revised budget
Change from Adjusted 2026 Baseline	**3,869**	**1.9%**	
Change from 2026 Revised Budget	**4,859**	**2.4%**	

2027 Baseline Budget Summary

(in $000's)	2023 Actuals	2024 Actuals	2025 Actuals	2026 Budget	2026 Revsd_Bud	2027 Proposed Budget	Inc/(Dec) from 2026 Revsd_Bud $ Change	% Change
Total Payroll Costs (with Capital)	132,947	158,211	169,494	187,393	187,393	190,679	3,286	1.8%
Total Non-Payroll Costs (with Capital)	53,966	87,678	40,843	68,886	71,870	61,500	(10,369)	-14.4%
Total Costs (with Capital)	**186,914**	**245,889**	**210,337**	**256,279**	**259,263**	**252,179**	**(7,083)**	**-2.7%**
Sal/Wage-Cap/Govt/Envrs Proj	(19,886)	(20,441)	(22,296)	(29,160)	(29,160)	(25,276)	3,885	-13.3%
Cap/Govt/Envrs Projects OH	(8,731)	(10,438)	(10,124)	(9,470)	(9,470)	(8,538)	931	-9.8%
OnsiteConsult-Cap/Gov/Env Proj	(10,409)	(13,563)	(14,893)	(17,925)	(17,925)	(10,967)	6,958	-38.8%
Total Charges to Capital	**(39,025)**	**(44,296)**	**(47,312)**	**(56,555)**	**(56,555)**	**(44,781)**	**11,774**	**-20.8%**
Total Payroll Expenses	113,061	137,769	147,198	158,232	158,232	165,403	7,171	4.5%
Non-Payroll O&M Expense	34,827	63,824	15,827	41,492	44,475	41,995	(2,480)	-5.6%
O&M Expenses	**147,888**	**201,593**	**163,025**	**199,724**	**202,708**	**207,398**	**4,691**	**2.3%**
GASB 87_96_103 Expenses	3,003	3,227	1,131	4,983	443	611	169	38.1%
Total Operating Exp GASB Comparable Basis	**150,892**	**204,820**	**164,156**	**204,707**	**203,151**	**208,010**	**4,859**	**2.4%**

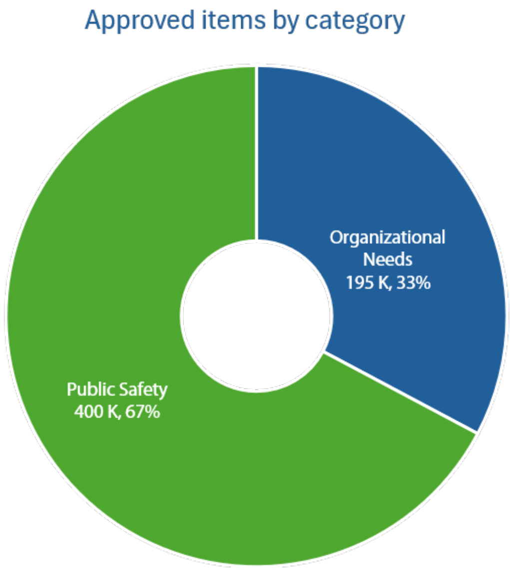
2027 New Budget Requests Summary

- Total # of Requests: 23 items
- Total Full Year Amount: $1,467K
- Total Amount based on start date: $1,433K
- Total FTE-Related Amount: $354K
  - (for 2.0 new proposed FTEs: Jan & Apr start date)
- Total Non-FTE Amount: $1,078K
- None of the request can be capitalized
- Approved $595K for ICT & Police

Dept Name	FTE	FY Cost	Based on start date	Approved Amount	Comments
ICT	0.0	95,000	95,000	95,000	
Police	2.0	1,349,877	1,315,733	500,000	Repurpose vacant
Internal Audit	0.0	22,559	22,559	0	
Grand Total	**2.0**	**1,467,436**	**1,433,292**	**595,000**	

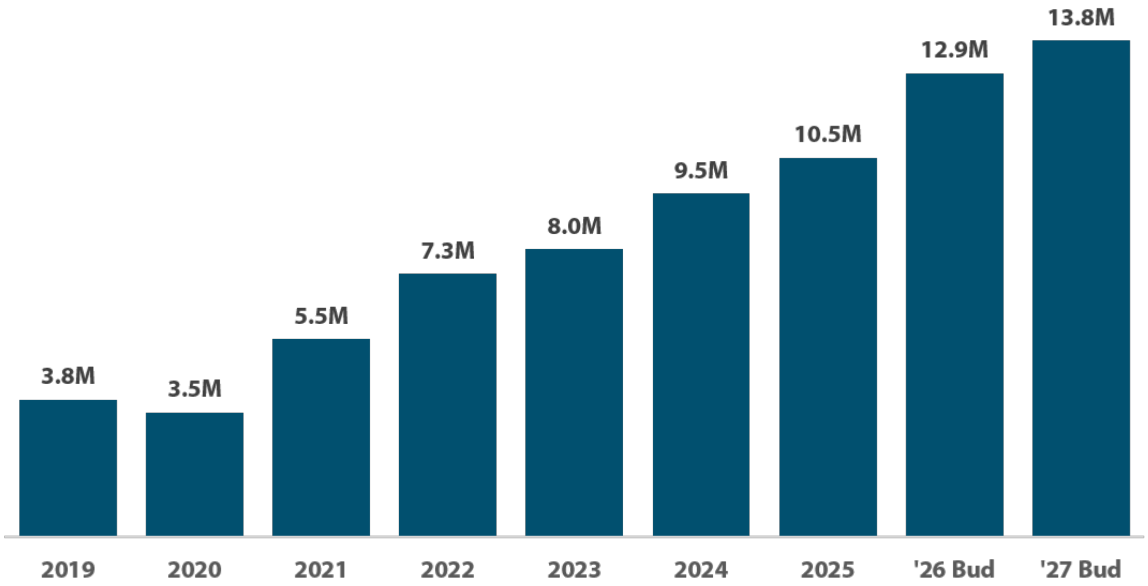

Approved 2027 Division New Budget Request Items

- Data Modernization ($50K)
- Group Policy Management (GPO) Tool ($45K)
- Public Defenders Office and King County Jail Contract ($185K)
- Computer Replacement ($100K)
- Police Portable Radios ($90K)
- Mental Health and Wellness Program ($71K)
- Marine Patrol Unit Dive Equipment ($21K)
- Other Police items ($33K)
- Police Specialist - Public Disclosure ($0) (repurpose existing vacant position)
- Video Technology Manager ($0) (repurpose existing vacant position)



ESAP/Budgeting With Equity Summary

Central Services Equity Spending Trend



*WFD moved to EDD when comparing to prior year presentations

2027 Central Services Equity Spending Highlights

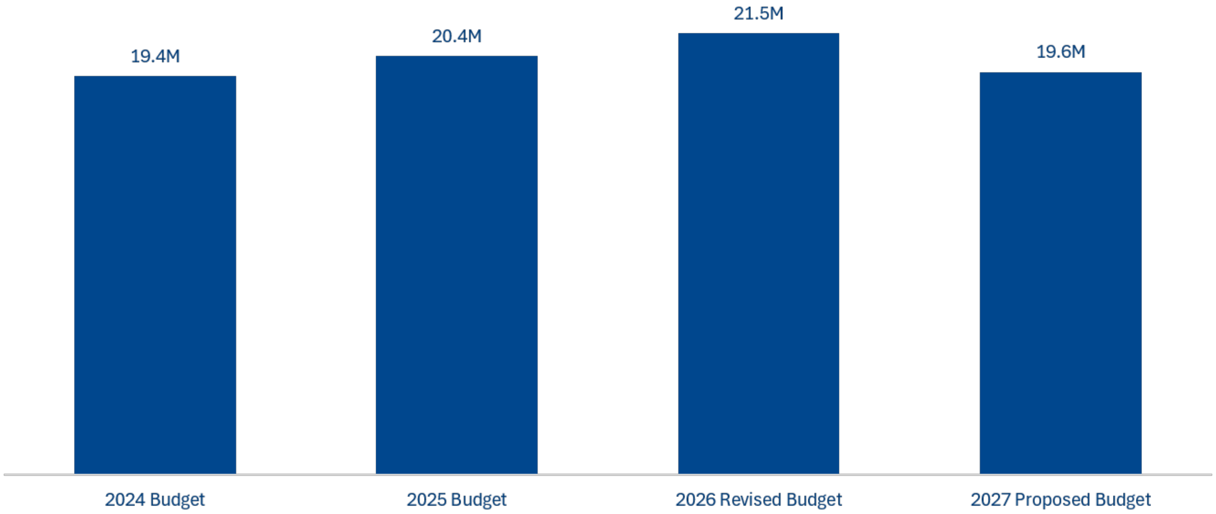
- South King and Port Communities Fund ($2,398K)
  - Total SKPCF is $2,648K if including $250K in Diversity in Contracting in EDD
- Duwamish Valley Community Equity Program ($626K)
- Veteran's Program ($378K)
- High School Internship Program ($299K)
- Language Access Fund ($134K)
- Clean Fuel Policy Advocacy and Coalition Building ($100K)
- Anti-Human Trafficking ($83K)
- Equity Assessment Implementation ($50K)*
- Equity Index ($50K)
- Employee Resource Groups ($32K)

Equity Impact from Budget Reductions

- With resources conscious efforts and expense targets for 2027, our equity in budgeting effort this year included analyzing impacts related to our workforce, communities, contracting, and operations for any reductions of $10K or more.
- Most of the budget reductions have no impacts on equity.
- There are equity impacts on some departments from the budget reductions. Examples are:
  - Engineering: significant reductions in outside consultants and training budget will increase operational burden and risk
  - AFR: temp agency services reduction ($34K) will increase operational burden and risk
  - PCS: development & training budget reduction ($10K) will have some equity impacts
  - CPO: reduction in Continuous Improvement and Leadership Services ($35K) may have impacts on vendor & contract equity

Port-wide Community Program Summary

Port Community Programs

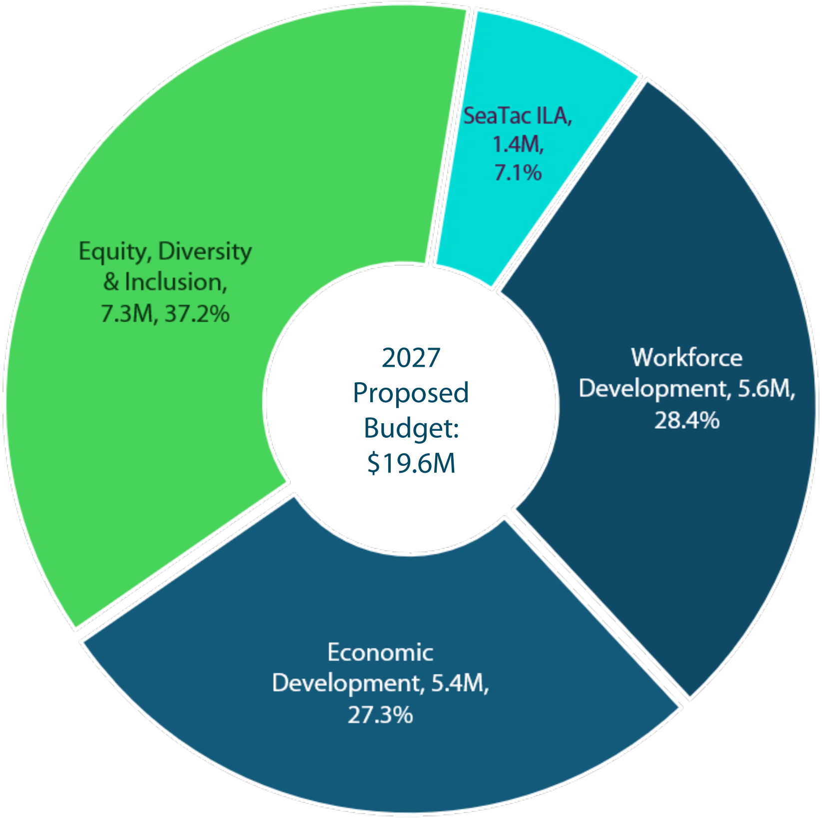


* Detailed list included in the Appendix.

Duwamish Valley job fair

SKPC EIP Meeting

2027 Port Community Program Funding by Activity



Economic Development

- **Diversity in Contracting** -$2.4M
- **Tourism Marketing Support** - $2.1M
- **EDD Partnership Grants** - $950K
- **Maritime Blue** - $100K

Workforce Development

- **Workforce Development Department** - $5.0M
- **High School Interns** - $550K

Equity, Diversity & Inclusion

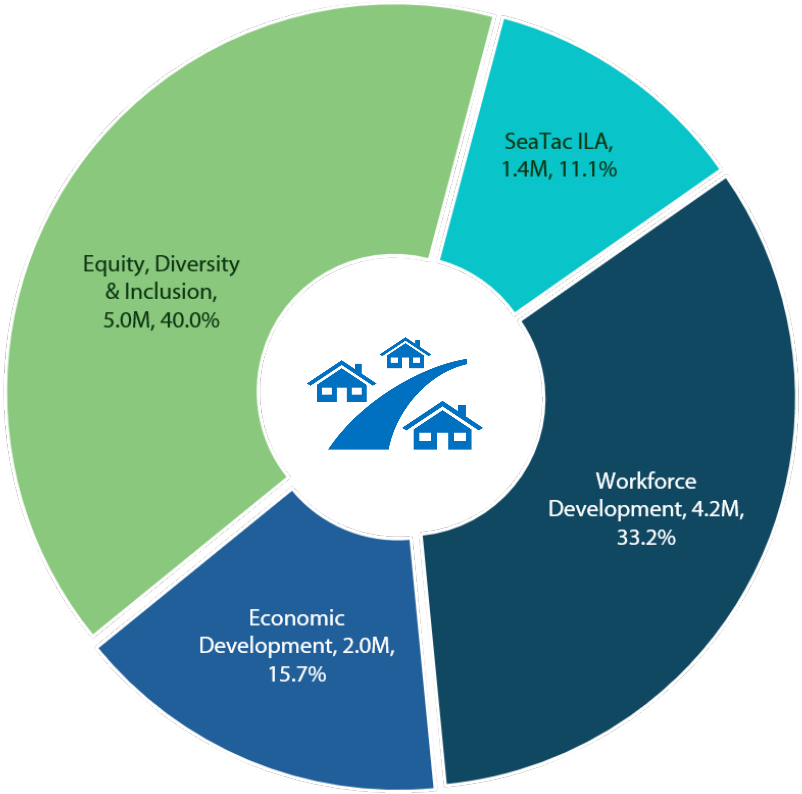
- **OEDI Department** - $4.4M
- **South King and Port Communities Fund** – $2.6M
- **Friends of the Waterfront**– $750K
- **Staff Costs supporting DVCEP & SKCCIF** – $776K
- **Duwamish Community Equity program (DVCEP)** – $627K

SeaTac ILA

- $1.4M

* Detailed list included in the Appendix.

2027 Port Community Program funded by the levy



2027 Proposed Budget funded by the levy: $12.6M

Economic Development

- **EDD Partnership Grants** - $950K
- **Tourism Marketing Support** - $870K
- **Diversity in Contracting** -$300K
- **Maritime Blue** - $100K

Workforce Development

- **Workforce Development Department** - $3.9M
- **High School Interns** - $299K

Equity, Diversity & Inclusion

- **South King and Port Communities Fund** – $2.6M
- **OEDI Department** - $2.1M
- **Staff Costs supporting DVCEP & SKCCIF** – $776K
- **Friends of the Waterfront**– $750K
- **Duwamish Community Equity program (DVCEP)** – $627K

SeaTac ILA

- $1.4M

* Detailed list included in the Appendix.

Central Services CIP

Central Services Capital Projects Summary

Five Year Capital Plan ($000's) *	2027	2028	2029	2030	2031	2027-2031 Total
Commission Authorized Projects	8,894	1,529	1,329	1,329	1,329	14,410
Projects Pending Authorization	7,228	9,804	7,700	3,000	3,000	30,732
Small Capital	6,379	4,619	5,105	5,660	6,445	28,208
CIP Cashflow Management Reserve	(6,500)	(3,000)	500	5,000	4,000	-
Total	16,001	12,952	14,634	14,989	14,774	73,350

* Excludes ICT projects budgeted within operating divisions as well as ICT portions of PMG led projects.

Commission Authorized Projects

Five Year Capital Plan ($000's)	*	2027	2028	2029	2030	2031	2027-2031 Total
Commission Authorized Projects							
2025 Police Axon Contract (capital portion)	N	1,329	1,329	1,329	1,329	1,329	6,645
Enterprise Network Refresh	U	2,384	-	-	-	-	2,384
PeopleSoft Financial System Upgrade	U	2,212	-	-	-	-	2,212
Phys Access Contrl System Refresh	U	1,111	-	-	-	-	1,111
Property Management System Upgrade	U	600	200	-	-	-	800
Public Safety Dispatch & Police	N	674	-	-	-	-	674
Maximo Software System Upgrade	U	584	-	-	-	-	584
Total		8,894	1,529	1,329	1,329	1,329	14,410

* N = New System or Function   U = System Upgrades or Replacements

Projects Pending Authorization

Five Year Capital Plan ($000's)	*	2027	2028	2029	2030	2031	2027-2031 Total
Projects Pending Authorization							
IT Renewal/Replacement	U	-	500	3,000	3,000	3,000	9,500
Private Cellular Network (LTE)	U	-	2,000	3,000	-	-	5,000
Badge Readers Replacement	U	300	3,000	1,700	-	-	5,000
Police RMS	N	1,002	2,004	-	-	-	3,006
SAN Capacity Increase	U	1,501	-	-	-	-	1,501
Procure Connect	U	450	550	-	-	-	1,000
Fleet Management Software	N	400	450	-	-	-	850
Web Accessibility Compliance	U	600	-	-	-	-	600
SEA SQL ESX Refresh	U	-	600	-	-	-	600
Tierpoint ESX Refresh	U	600	-	-	-	-	600
SEA Prod ESX Refresh	U	600	-	-	-	-	600
Police Axon Program ICT	N	575	-	-	-	-	575
Fire Alarm Monitoring System	U	250	250	-	-	-	500
Accounts Payable Automation	U	250	250	-	-	-	500
Nexus Improvements	U	250	200	-	-	-	450
HCM Upgrade 2027	U	450	-	-	-	-	450
Total		7,228	9,804	7,700	3,000	3,000	30,732

* N = New System or Function   U = System Upgrades or Replacements

Small Capital Projects

Five Year Capital Plan ($000's)	2027	2028	2029	2030	2031	2027-2031 Total
Small Capital						
Technology Infrastructure	1,500	1,500	1,500	1,500	1,500	7,500
Technology Business Applications	1,500	1,433	1,500	1,500	1,500	7,433
Corporate Fleet Replacement *	2,144	761	1,190	1,290	1,800	7,185
Engineering/PCS Fleet Replacement	600	240	165	290	885	2,180
Enterprise GIS Small Capital	250	250	320	250	250	1,320
Corporate Police Small Capital	75	250	100	600	100	1,125
Engineering Small Capital	210	85	230	130	310	965
Corporate Small Capital	100	100	100	100	100	500
Total	6,379	4,619	5,105	5,660	6,445	28,208

CIP Cashflow Management Reserve						
CIP Reserve - Central Services	(6,500)	(3,000)	500	5,000	4,000	-

* Mainly Police fleet purchases

Remaining 2027 Budget Schedule

- Operating division proposed budget briefings (10/13)
- 2027 Tax Levy & Draft Plan of Finance Commission Briefing (10/27)
- 2027 proposed Budget Document Available to the Commission (10/20)
- 2027 proposed Budget Document Available to the Public (10/22)
- NWSA Budget Adoption by Managing Members (11/3)
- Introduction and Public Hearing of the 2027 Budget (11/17)
- Commission Approval of the 2027 ILA between POS and the NWSA (11/17)
- Adoption of the 2027 Budget (11/23)
- Filing of 2027 Statutory Budget with King County Council & Assessor (11/30)
- Release of 2027 Budget to the Public (12/4)

Appendix

2027 Baseline Budget by Account

DESCRIPTION (in $000's)	2023 Actuals	2024 Actuals	2025 Actuals	2026 Budget	2026 Revsd_Bud	2027 Proposed Budget	Inc/(Dec) from 2026 Revsd_Bud $ Change	% Change	Notes
Other Service Revenues	**(216)**	**403**	**14**	**259**	**259**	**366**	**107**	**41.4%**	
GASB 87_96_103 Revenues	839	281	1,435	594	0	0	0	0.0%	
Total Operating Rev GASB Comparable Basis	**623**	**684**	**1,449**	**853**	**259**	**366**	**107**	**41.4%**	
OPERATING EXPENSE									
Salaries & Benefits	91,659	107,752	117,722	116,781	116,781	122,516	5,735	4.9%	Pay & benefits increase, partially offset by eliminating FTEs
Wages & Benefits	21,401	30,017	29,476	41,452	41,452	42,887	1,436	3.5%	Elimated 10 represent FTEs in PCS (another 2 are non-rep)
Payroll to Cap/Govt/Envrs Proj	19,886	20,441	22,296	29,160	29,160	25,276	(3,885)	(13.3%)	Less charges to capital
TOTAL SALARIES & BENEFITS	**132,947**	**158,211**	**169,494**	**187,393**	**187,393**	**190,679**	**3,286**	**1.8%**	
Equipment Expense	2,386	3,021	2,343	3,051	3,051	3,071	20	0.7%	Due to decreases mainly in ENG, PCS, ICT, IS, OSI, & POL
Utilities	58	98	70	88	88	89	1	1.0%	
Supplies & Stock	1,543	1,106	1,535	1,129	1,129	1,243	114	10.1%	
Outside Services	35,897	39,721	41,884	48,998	47,463	39,339	(8,124)	(17.1%)	Mainly due to reduction in ENG
Travel & Other Employee Exps	2,575	2,758	3,324	3,848	3,848	3,524	(324)	(8.4%)	Reduction of travel & training in some depts
Promotional Expenses	1,721	6,372	1,295	1,347	3,947	2,380	(1,568)	(39.7%)	Mainly due to Friends of the Waterfront & Aquarium
Telecommunications	777	776	759	748	748	603	(145)	(19.4%)	
Property Rentals	598	828	315	127	127	120	(8)	(6.1%)	
Worker's Compensation Expense	663	761	1,010	944	944	750	(193)	(20.5%)	Based on estimate from AFR
General Expenses	7,817	32,214	(11,667)	8,607	10,525	10,384	(142)	(1.3%)	
TOTAL NON-PAYROLL EXPENSES	**53,966**	**87,678**	**40,843**	**68,886**	**71,870**	**61,500**	**(10,369)**	**(14.4%)**	
TOTAL COSTS BEFORE CAPITAL CHARGES	**186,914**	**245,889**	**210,337**	**256,279**	**259,263**	**252,179**	**(7,083)**	**(2.7%)**	
59900-Sal/Wage-Cap/Govt/Envrs Proj	(19,886)	(20,441)	(22,296)	(29,160)	(29,160)	(25,276)	3,885	(13.3%)	
68750-Cap/Govt/Envrs Projects OH	(8,731)	(10,438)	(10,124)	(9,470)	(9,470)	(8,538)	931	(9.8%)	
68760-OnsiteConsult-Cap/Gov/Env Proj	(10,409)	(13,563)	(14,893)	(17,925)	(17,925)	(10,967)	6,958	(38.8%)	
Charges to Cap/Govt/Envrs Projects	**(39,025)**	**(44,296)**	**(47,312)**	**(56,555)**	**(56,555)**	**(44,781)**	**11,774**	**(20.8%)**	
Operating Expenses	**147,888**	**201,593**	**163,025**	**199,724**	**202,708**	**207,398**	**4,691**	**2.3%**	
GASB 87_96_103 Expenses	3,003	3,227	1,131	4,983	443	611	169	38.1%	
Total Operating Exp GASB Comparable Basis	**150,892**	**204,820**	**164,156**	**204,707**	**203,151**	**208,010**	**4,859**	**2.4%**	

2027 Baseline Budget by Department

Departments (in $000's)	2023 Actuals	2024 Actuals	2025 Actuals	2026 Budget	2026 Revsd_Bud	2027 Proposed Budget	Inc/(Dec) from 2026 Revsd_Bud $ Change	% Change	Notes
01100-Executive	3,147	6,025	2,771	3,407	3,407	2,903	(504)	(14.8%)	Final Aquarium payment ($400K); Strategic software transfer to OSI ($50K)
01200-Commission Office	2,448	3,042	3,137	3,671	5,516	5,430	(86)	(1.6%)	Delay hiring for 1 FTE
01310-Legal	10,315	10,312	8,395	6,863	7,328	7,628	300	4.1%	Increase in payroll ($254K)
01330-Risk Services	5,756	7,395	7,144	8,642	8,642	8,714	73	0.8%	
01400-External Relations	10,154	14,379	14,365	15,858	15,858	13,565	(2,293)	(14.5%)	Move EOC grants ($1.32M) to OEDI; Friends of W/F reduced by ($1.25M)
01460-Equity, Diversity and Inclusion	1,210	1,922	1,975	2,540	2,540	4,404	1,864	73.4%	Move EOC grants from ER budget ($1.32M); plus the 6 new NGOs for 2027
01500-Business Intelligence	1,609	1,888	2,235	2,633	2,633	2,590	(43)	(1.6%)	
01600-Engineering	6,263	8,581	9,407	13,764	13,764	11,904	(1,860)	(13.5%)	21 FTEs eliminated & less On-site consultants offset by less charge to capital
01700-Port Construction Services	5,644	7,063	8,849	8,123	8,123	6,980	(1,143)	(14.1%)	12 FTEs eliminated, decrease in Worker's Comp ($89K)
01800-Human Resources	13,543	16,099	16,506	19,160	19,160	19,746	586	3.1%	Increase in payroll ($683K) offset by non-payroll ($117K)
01810-Labor Relations	1,292	1,541	1,598	1,923	1,923	1,825	(98)	(5.1%)	1 FTE eliminated
01900-Information & Comm. Technology	25,914	30,410	31,476	34,080	34,080	34,413	333	1.0%	Increase in payroll and outside services contracts, offset by SBITA
01980-Information Security	2,040	2,613	3,633	4,612	4,612	5,772	1,160	25.1%	Increase in contractual increase ($729K) and payroll ($572K)
02110-Finance & Budget	2,602	3,075	3,076	3,371	3,527	3,586	59	1.7%	Increase in payroll ($149K) offset by reduction in Non-Payroll ($45K)
02200-Accounting/Financial Reporting	9,032	10,003	11,173	12,807	12,807	13,482	675	5.3%	Increase in payroll ($793K) offset by reduction in Non-Payroll ($111K)
02280-Internal Audit	1,944	1,935	2,066	2,448	2,448	2,593	145	5.9%	Mainly due to increase in payroll ($150K)
02400-Offic of Strategic Initiatives	1,291	1,125	1,353	1,731	1,731	1,706	(26)	(1.5%)	
02700-Environment & Sustainability	1,137	1,479	1,968	2,306	2,306	1,974	(332)	(14.4%)	Reduced Aquarium Kelp; Removed Fuels Summit
02900-Corporate Contingencies	(251)	21,534	(22,019)	(6,184)	(5,666)	(2,428)	3,239	(57.2%)	Change vacancy factor from 4% to 2%
04300-Police Department	36,422	43,591	46,327	48,213	48,213	51,647	3,434	7.1%	SeaTac Court & SCORE, labor agreements, COLA
09200-Central Procurement Office	6,376	7,079	7,588	9,756	9,756	8,962	(794)	(8.1%)	5 FTEs eliminated and reduction in non-payroll ($79K)
Operating Expenses	**147,888**	**201,593**	**163,025**	**199,724**	**202,708**	**207,398**	**4,691**	**2.3%**	
GASB 87_96_103 Expenses	3,003	3,227	1,131	4,983	443	611	169	38.1%	
Total Operating Exp GASB Comparable Basis	**150,892**	**204,820**	**164,156**	**204,707**	**203,151**	**208,010**	**4,859**	**2.4%**	

2027 Non-Payroll Budget by Department

DESCRIPTION (in $000's)	2023 Actuals	2024 Actuals	2025 Actuals	2026 Budget	2026 Revsd_Bud	2027 Proposed Budget	Inc/(Dec) from 2026 Revsd_Bud Change $	Change %	Notes
O1100-Executive	1,726	4,130	668	1,188	1,188	561	(627)	(52.8%)	Final Aquarium payment ($400K). Strategic software transferred to OSI
O1200-Commission Office	285	534	522	572	2,417	2,427	10	0.4%	
O1310-Legal	7,129	5,827	3,912	2,158	2,158	2,213	56	2.6%	
O1330-Risk Services	4,921	6,379	6,075	7,337	7,337	7,352	15	0.2%	
O1400-External Relations	4,057	7,105	6,232	7,125	7,125	4,356	(2,769)	(38.9%)	EOC ($1.32M) grants transfer to OEDI; Friends of W/F reduced by ($1.25M)
O1460-Equity, Diversity and Inclusion	243	427	496	790	790	2,542	1,752	221.8%	Move EOC grants to OEDI ($1.32M) and add 6 new 2027 NGOs
O1500-Business Intelligence	264	306	364	500	500	396	(104)	(20.8%)	Removed JD Power Survey ($57K). Reduced contracted survey support ($40K)
O1600-Engineering	12,977	16,427	18,117	24,127	24,127	14,104	(10,022)	(41.5%)	Reduction in On-site Consultants
O1700-Port Construction Services	2,669	2,374	3,131	1,934	1,934	1,917	(17)	(0.9%)	
O1800-Human Resources	2,518	2,930	1,479	2,032	2,032	1,915	(117)	(5.8%)	Decrease in Worker's Comp ($89K)
O1810-Labor Relations	44	45	43	71	71	67	(4)	(5.6%)	
O1900-Information & Comm. Technology	8,694	9,610	9,360	11,274	11,274	10,660	(613)	(5.4%)	Mainly due to $610K reduction in Outside Services
O1980-Information Security	391	579	1,323	1,288	1,288	2,028	739	57.4%	Mainly due to $510K increase in Personal Services
O2110-Finance & Budget	156	222	295	247	403	320	(83)	(20.6%)	
O2200-Accounting/Financial Reporting	851	782	994	965	965	853	(111)	(11.5%)	$116K reduction in Outside Services (due to higher SBITA offset)
O2280-Internal Audit	356	81	(23)	73	73	73	0	0.1%	
O2400-Offic of Strategic Initiatives	151	88	127	191	191	222	31	16.3%	
O2700-Environment & Sustainability	457	582	806	1,101	1,101	701	(400)	(36.3%)	Mainly due to $155K reduction in Outside Services
O2900-Corporate Contingencies	(251)	21,534	(22,019)	450	968	950	(18)	(1.8%)	
O4300-Police Department	6,154	6,940	8,758	5,258	5,258	7,247	1,989	37.8%	SeaTac Court Fees, SCOR, Public Defender, and other cost increases
O9200-Central Procurement Office	486	408	390	671	671	596	(76)	(11.3%)	$46K reduction in Outside Services and $27K reduction in Travel exp
TOTAL BASELINE EXPENSE	**56,701**	**89,827**	**41,195**	**73,427**	**71,870**	**61,500**	**(10,369)**	**(14.4%)**	

Approved 2027 New Budget Request Items

- ✓ **Data Modernization $50K-** to establish a unified and secure data environment that strengthens compliance controls
- ✓ **Group Policy Management (GPO) Tool $45K-** replacement tool that strengthens security compliance, and improves operational efficiency
- ✓ **Public Defenders Office and King County Jail Contract $185K-** To cover the public defender contract rate increase from 750 to 900 dollars per and increase for housing felony arrestees
- ✓ **Computer Replacement $100K-** supports the transition from individually assigned patrol laptops to a shared model consisting of desktop workstations and vehicle-mounted laptops, reducing the total number of deployed devices while lowering replacement and lifecycle costs

Approved 2027 New Budget Request Items

- ✓ **Police Portable Radios $90K-** Portable radios are essential daily equipment for all Port of Seattle Police officers, enabling critical communication and coordination during routine and emergency incidents

- ✓ **Mental Health and Wellness Program $71K-** To establish a comprehensive behavioral health and wellness program through The Counseling Team International (TCTI)

- ✓ **BLEA Annual Cost Sharing Increase $20K and VIIT Annual Budget $8K:** To fund an increase in Basic Law Enforcement Academy (BLEA) training costs due to an increase in the number recruits; to fund annual contribution to the Valley Independent Investigative Team (VIIT)

Approved 2027 New Budget Request Items

- ✓ **Marine Patrol Unit Dive Equipment and Harbor Maintenance $26K-** Funding to replace critical dive equipment that has reached the end of its service life; to purchase complete dive equipment packages for new members; and to support routine vessel maintenance

- ✓ **Police Specialist - Public Disclosure $0 (Repurpose existing vacant position)-** New position will support public disclosure requests which have risen sharply in both volume and complexity

- ✓ **Video Technology Manager $0 (Repurpose existing vacant position)-** New position would serve as the department's technology program manager and primary business owner for law enforcement technology systems (i.e., body worn cameras, in car cameras, TASER, FUSUS)

2027 Proposed Community Programs

Program (in $000)	**2024 Budget**	**2025 Budget**	**2026 Revised Budget**	**2027 Proposed Budget**	**2027 Funded by the levy**	**% of the 2027 Budget Funded by the levy**
1) South King and Port Communities Fund [1]	2,214	2,205	2,195	2,648	2,648	100.0%
2) Duwamish Valley Community Equity Program	471	619	617	627	627	100.0%
3) EDD Partnership Grants	950	950	950	950	950	100.0%
4) Tourism Marketing Support Program	1,875	2,154	2,134	2,124	870	41.0%
5) Airport Spotlight Ad Program*	466	518	518	-	-	0.0%
6) City of SeaTac ILA*	1,400	1,400	1,400	1,400	1,400	100.0%
7) Maritime Blue (formerly Maritime Innovation Center)	175	175	180	100	100	100.0%
8) Workforce Development	5,077	4,976	4,972	5,018	3,873	77.2%
9) High School Internship Program	486	520	523	550	299	54.4%
10) Diversity in Contracting [2]	2,304	2,356	2,463	2,438	300	12.3%
11) Equity, Diversity & Inclusion [3]	2,065	2,459	2,540	4,404	2,127	48.3%
12) Friends of the waterfront		750	2,000	750	750	100.0%
Sub Total	**18,803**	**19,591**	**20,642**	**18,861**	**11,796**	**63%**
Payroll charged to the Levy [4]	**589**	**781**	**848**	**776**	**776**	**100.0%**
Grand Total	**19,392**	**20,372**	**21,491**	**19,637**	**12,572**	**64.0%**

Notes:
1) SKPC budgeted under Ext Rel, EDI, and DIC
2) $250K Small Business Accelerator under DIC is part of item 1 SKPC
3) $1.9M for Economic Opportunities for Communities (EOC) under EDI is part of item 1 SKPC
4) 2027 Payroll only for CPO & Ext. Rel. Other payroll from HS Interns, WFD, EDI are included in the individual items above
* Non-Operating Accounts

Community Programs Funded by Tax Levy

Program (in $000)	**2024 Funded by the levy**	**2025 Funded by the levy**	**2026 Funded by the levy**	**2027 Funded by the levy**	**Inc/(Dec) from 2026 Revised Budget $ Change**	**% Change**
1) South King and Port Communities Fund [1]	2,214	2,205	2,195	2,648	453	17.1%
2) Duwamish Valley Community Equity Program	471	619	617	627	10	1.6%
3) EDD Partnership Grants	950	950	950	950	-	0.0%
4) City of SeaTac ILA*	1,400	1,400	1,400	1,400	-	0.0%
5) Maritime Blue (formerly Maritime Innovation Center)	175	175	180	100	(80)	-80.0%
6) Workforce Development	3,863	3,762	3,827	3,873	46	1.2%
7) High School Internship Program	259	280	290	299	9	3.0%
8) Diversity in Contracting [2]	300	310	300	300	-	0.0%
9) Equity, Diversity & Inclusion [3]	203	226	230	2,127	1,897	89.2%
10) Friends of the waterfront		750	2,000	750	(1,250)	-166.7%
11) Other	806	1,608	1,438	870	(568)	-65.3%
Total	**11,772**	**12,404**	**13,577**	**11,796**	**(1,781)**	**-15.1%**
Payroll charged to the Levy [4]	**580**	**781**	**848**	**776**	**(72)**	**-9.3%**
Grand Total	**12,352**	**13,185**	**14,426**	**12,572**	**(1,854)**	**-14.7%**

Notes:

1) SKPC budgeted under Ext Rel, EDI, and DIC
2) $250K Small Business Accelerator under DIC is part of item 1 SKPC
3) $1.9M for Economic Opportunities for Communities (EOC) is part of item 1 SKPC
4) 2027 Payroll only for CPO & Ext. Rel. Other payroll from HS Interns, WFD, EDI are included in the individual items above

* Non-Operating Accounts

2026 One-Time Items

Org	Dept	Description	Amount
O1100	Executive	Seattle Aquarium Final MOU Payment	400,000
O1400	External Relations	Friends of the Waterfront	2,000,000
		Manufacturing Maritime Industrial Association (MMIA) Membership-Portwide/Corporate	25,000
		Stategic Communications and Outreach for Fishermen's Terminal Capital Programs	45,000
O1460	OEDI	Rapid Response Contract (Immigration Referral Line) - Comm Initiative	30,000
O1800	Human Resources	Leadership Conference	40,000
O1900	ICT	Call Center Software for Service Desk	28,000
		Conference Room Audio Improvements	18,000
		Computers & Phones Phone for Network/Server/Telecom Engineers	14,000
O1980	Information Security	Computer & Phone for OT/ICS Specialist	7,000
O2200	AFR	Computer for Capital Services Business System Analyst	2,500
O2900	Portwide Contingency	World Cup and Semi-Quincentennial Contingency Fund - 500K to Tax Levy	500,000
O4300	Police Department	21CP Review of Recommendations - Commission Approved	28,600
		3D Crime Scene Mapping	10,000
		CMU Bike Replacement/Upgrade	33,000
		Dialogue TrainingColumbus Police Department	10,000
		Dive Computers	11,900
		Explosive Odor Recognition K9s - Fully Trained	60,000
		HSD Armory and Equipment	7,000
O9200	CPO	CPO technology Solution - one-time set up fee	5,000
		TOTAL	**3,275,000**
		Core Services	**3,114,500**

2026 Mid-Year Approvals Summary

Item	Org		Description	Amount in 2026		Amount in 2027	
				Payroll	Non-Payroll	Payroll	Non-Payroll
1	4300	Police	Mental Health Professional	126,697	10,000	159,816	-
2	1400	Ext Rel	PT LTD 2YR Duwamish River Community Hub Coordinator	7,800	3,765	59,403	-
3	1400/´	Ext Rel/EDI	SKPC	-	675,000	-	578,000
4	1980	Info Sec	OCR		250,000	-	590,000
			TOTAL	**134,497**	**938,765**	**219,219**	**1,168,000**

2027 Contractual Increases/Budget Adjustments

Item	Org	Dept	Account	Description	Amount in 2026	Amount in 2027	Change
1	1900	ICT	64370	Software Lics & Maint. Agreemt	9,467,208	10,179,534	712,326
2	4300	Police	64370	City of SeaTac - Court & Jail Costs	2,070,000	3,800,000	1,730,000
3	1400	External Relations	66400	Friends of Waterfront	-	750,000	750,000
		Total			**11,537,208**	**14,729,534**	**3,192,326**

2027 Budget Transfers

From Dept	To Dept	Description	Salary/ Benefits	Non-Pay Expenses	Total O&M Expense
O1400	O1460	Move the EOC grants ER to OEDI		1,320,000	1,320,000
O1100	O1400	Move the Japan-American Society of WA from Exe to ER		3,000	3,000
O1100	O1400	Move the Greater Seattle Metropolitan Chamber - Community Development Roundtable & Annual Membership Dues from Exe to ER		52,300	52,300
O1100	O2400	Move the Strategice Software from Exe to OSI		50,000	50,000
		Total	**0**	**1,425,300**	**1,425,300**

Central Services' Equity Spending Detail

Corporate Equity Spending Items	2026 Bud	2027 Bud
Affirmative Action Consultant	21,750	26,000
Anti-Human Trafficking (transferred from AV starting 2026)	88,000	83,000
Associated General Contractors of Washington	9,000	
Clean Fuel Policy Advocacy and Coalition Building	100,000	100,000
College/Graduate Intership	1,906,270	1,940,191
Duwamish Valley Community Equity Program - Community Capacity Building Contract and Green Jobs Program	545,000	545,500
Duwamish Valley Community Equity Program - Trade, Business, Community Development (Sponsorships)	100,000	100,000
Duwamish Valley Community Hub (total of two Depts - ER, Mar ENV)	71,175	80,674
EDI Non-Payroll (exclude staff costs)	358,221	336,718
Employee Resource Group support	20,000	32,000
Equity Focused Staff Costs	6,497,231	6,952,937
High School Internship Program	289,944	298,895
HR diversity outreach recruiting	12,515	3,500
Ongoing community engagement program	304,750	309,200
Policing Assessment/BWC	229,600	215,000
Rapid Response Contract (Immigration Questions)	30,000	
SKCCIF Community Capacity Building Contracts (Alma Villegas Consulting, Siliana Consulting, Tree planting event	1,500	1,500
South King County Community Impact Fund	1,945,000	2,398,000
Veteran's Program	361,851	378,505
Grand Total	**12,891,807**	**13,801,620**

Central Services FTEs by Department

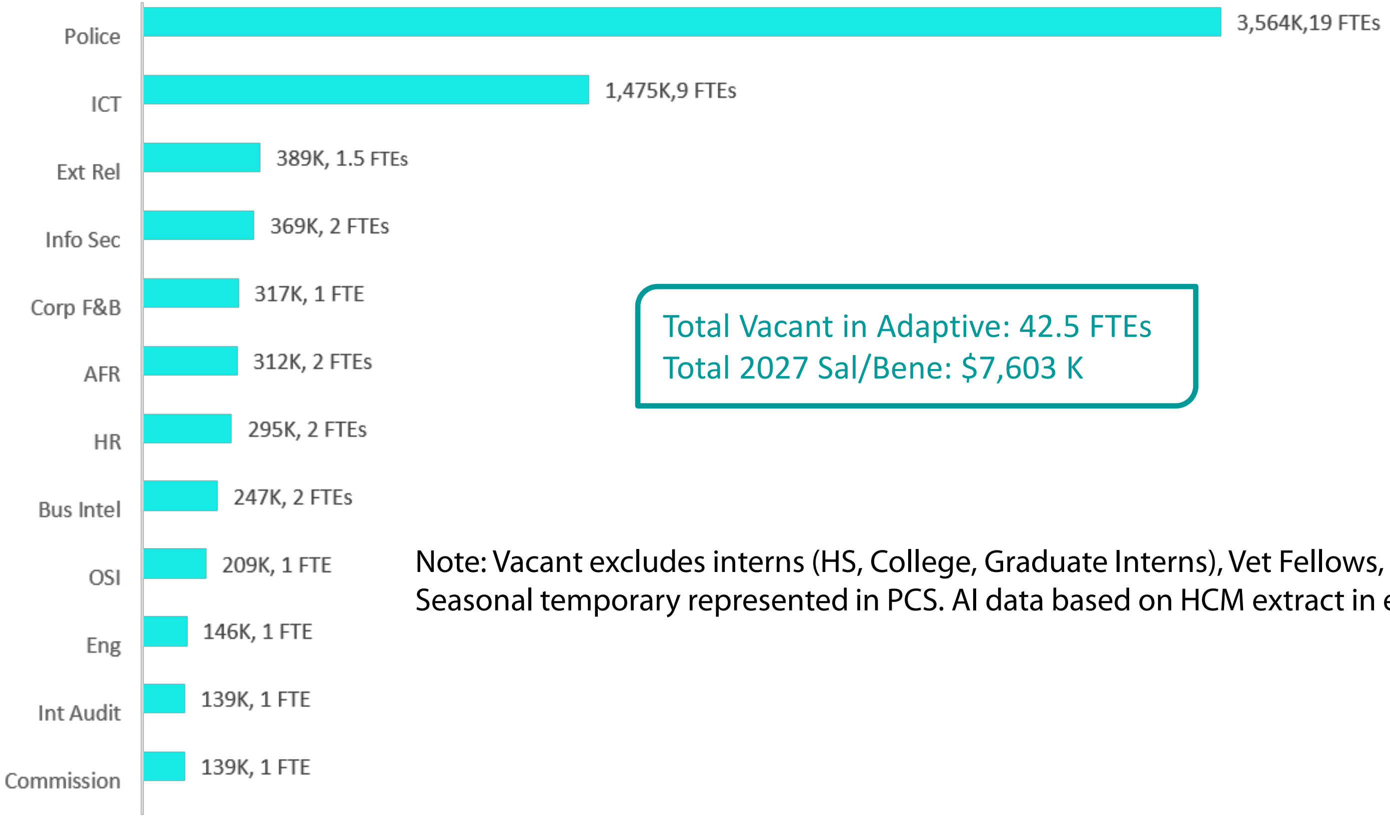
STAFFING (Full-Time Equivalent Positions) BY DEPARTMENT	Notes	2024 Budget	2025 Budget	2026 Budget	2026 Revised Budget	2027 Budget	# Change 2026 Revsd_Bud-2027 Bud	% Change 2026 Revsd_Bud-2027 Bud
Commission	1	18.0	18.0	18.0	17.0	17.0	0.0	0.0%
Executive Office		7.0	7.0	7.0	7.0	7.0	0.0	0.0%
Legal		19.0	19.0	20.0	20.0	20.0	0.0	0.0%
External Relations	2	38.8	40.8	41.0	41.5	41.5	0.0	0.0%
Human Resources		111.4	113.4	114.4	114.4	114.4	0.0	0.0%
Labor Relations	3	7.0	8.0	8.0	7.0	7.0	0.0	0.0%
Internal Audit		11.0	11.0	11.0	11.0	11.0	0.0	0.0%
Accounting & Financial Reporting (AFR)		63.0	63.0	66.0	66.0	66.0	0.0	0.0%
Information & Communication Technology (ICT)		130.0	133.0	137.0	137.0	137.0	0.0	0.0%
Finance & Budget		13.0	13.0	13.0	13.0	13.0	0.0	0.0%
Business Intelligence		10.0	11.0	11.0	11.0	11.0	0.0	0.0%
Risk Services		6.0	7.0	7.0	7.0	7.0	0.0	0.0%
Office of Strategic Initiatives		7.0	7.0	7.0	7.0	7.0	0.0	0.0%
Central Procurement Office	4	63.0	66.0	67.0	66.0	62.0	-4.0	-6.5%
Information Security		10.0	12.0	16.0	16.0	16.0	0.0	0.0%
Office of Equity, Diversity and Inclusion (OEDI)	5	16.6	13.6	13.6	8.0	8.0	0.0	0.0%
Police	6	184.0	196.0	195.0	196.0	196.0	0.0	0.0%
Engineering	7	152.0	159.0	159.0	159.0	136.0	-23.0	-16.9%
Port Construction Services (PCS)	8	74.0	74.0	69.0	69.0	57.0	-12.0	-21.1%
Environment & Sustainability		5.0	5.0	5.0	5.0	5.0	0.0	0.0%
TOTAL CENTRAL SERVICES		**945.8**	**976.8**	**985.0**	**977.9**	**938.9**	**-39.0**	**-4.2%**

Notes:

1) Commission will not fill 1.0 vacant FTE in 2026
2) A part-time 0.5 mid-year FTE was added in External Relations
3) Labor Relations will not fill 1.0 vacant FTE in 2026
4) CPO eliminated 1.0 vacant FTE earlier this year and will eliminate 4.0 FTEs in 2027
5) OEDI eliminated a Limited Duration 0.55 FTE earlier this year
6) 1.0 FTE mid-year FTE was added in Police. Police will repurpose 2.0 vacant FTEs in 2027
7) Engineering will eliminate 23.0 positions (vacant & HR-10)
8) PCS will eliminate 10.0 seasonal represented and 2.0 non-represented in 2027

Central Services Vacant FTEs

(from Adaptive Budget System with 2027 Budget)



Total Vacant in Adaptive: 42.5 FTEs
Total 2027 Sal/Bene: $7,603 K

Note: Vacant excludes interns (HS, College, Graduate Interns), Vet Fellows, & Seasonal temporary represented in PCS. AI data based on HCM extract in early July