



**King County**  
**Office of Economic and Financial Analysis**  
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 201 South Jackson Street  
 Seattle, WA 98104  
 206.477.3413

**MEMORANDUM**

DATE: April 30, 2024  
 TO: King County Forecast Council  
 FROM: Lizbeth Martin-Mahar, Laurie Elofson, Tony Cacallori  
 RE: King County Revenue through March 2024

**King County Revenue (through March 2024 unless noted)<sup>1</sup>**

| Revenue                                   | YTD Forecast (2023 Budget) | YTD Actual     | Actual - Forecast | Difference (percentage) |
|---|----------------------------|----------------|-------------------|-------------------------|
| Current Expense Levy*                     | \$ 24,250,000              | \$ 22,561,596  | \$ (1,688,404)    | -7.0%                   |
| UAL/Roads Levy^                           | \$ 6,460,000               | \$ 5,943,880   | \$ (516,120)      | -8.0%                   |
| Parks Levy^                               | \$ 10,030,000              | \$ 9,324,522   | \$ (705,478)      | -7.0%                   |
| AFIS Levy^                                | \$ 1,520,000               | \$ 1,421,009   | \$ (98,991)       | -6.5%                   |
| Veterans, Seniors, & HS Levy (1143)^      | \$ 5,170,000               | \$ 4,755,017   | \$ (414,983)      | -8.0%                   |
| Conservation Futures Levy (3151)^         | \$ 3,010,000               | \$ 2,755,634   | \$ (254,366)      | -8.5%                   |
| EMS Levy^                                 | \$ 7,350,000               | \$ 7,028,039   | \$ (321,961)      | -4.4%                   |
| Transit Levy^                             | \$ 2,110,000               | \$ 1,973,423   | \$ (136,577)      | -6.5%                   |
| Marine Levy^                              | \$ 450,000                 | \$ 413,216     | \$ (36,784)       | -8.2%                   |
| Puget Sound Emergency Radio^              | \$ 2,350,000               | \$ 2,189,314   | \$ (160,686)      | -6.8%                   |
| Best Starts for Kids Levy^                | \$ 9,240,000               | \$ 8,657,659   | \$ (582,341)      | -6.3%                   |
| P&I on Delinquent Property Taxes          | \$ 4,110,000               | \$ 4,510,647   | \$ 400,647        | 9.7%                    |
| Sales Tax - Local Option (2/24)           | \$ 26,000,000              | \$ 26,208,275  | \$ 208,275        | 0.8%                    |
| Sales Tax-Criminal Justice (2/24)         | \$ 2,720,000               | \$ 2,839,526   | \$ 119,526        | 4.4%                    |
| Sales Tax-MIDD (2/24)                     | \$ 13,460,000              | \$ 13,615,254  | \$ 155,254        | 1.2%                    |
| Sales Tax - Transit (2/24)                | \$ 122,950,000             | \$ 123,925,904 | \$ 975,904        | 0.8%                    |
| Sales Tax - Health Through Housing (2/24) | \$ 9,980,000               | \$ 10,422,935  | \$ 442,935        | 4.4%                    |
| Marijuana Excise Tax                      | \$ 710,000                 | \$ 856,436     | \$ 146,436        | 20.6%                   |
| MV Fuel Tax-Roads+                        | \$ 2,740,000               | \$ 2,561,620   | \$ (178,380)      | -6.5%                   |
| E-911 Excise Tax (2/24)                   | \$ 4,410,000               | \$ 3,977,876   | \$ (432,124)      | -9.8%                   |
| Hotel/Motel Tax (2/24)                    | \$ 4,650,000               | \$ 4,168,573   | \$ (481,427)      | -10.4%                  |
| Lodging Tax (HB 2015) (2/24)              | \$ 670,000                 | \$ 661,001     | \$ (8,999)        | -1.3%                   |
| REET 1 Revenue                            | \$ 1,480,000               | \$ 1,581,081   | \$ 101,081        | 6.8%                    |
| Wastewater Revenues+                      | \$ 128,350,000             | \$ 127,989,101 | \$ (360,899)      | -0.3%                   |
| Solid Waste Net Disposal Charges+         | \$ 41,780,000              | \$ 40,689,513  | \$ (1,090,487)    | -2.6%                   |
| Transit Fare+                             | \$ 3,040,000               | \$ 7,382,386   | \$ 4,342,386      | 142.8%                  |

<sup>1</sup> 2024 actual values are preliminary and subject to adjustment.

\* 2024 budget is 97.5% of levy ordinance

^ 2024 budget is 99% of levy ordinance

+ 2024 budget is from Agency budget documents reflecting changes made in 2023 2<sup>nd</sup> omnibus.

All other taxes' 2024 budget based on OEFA March 2024 Forecast

Through the end of March 2024, property tax revenues are below forecast, between 4.4% and 8.5%. However, it is early in the year and less than ten percent of annual revenue is in for most property tax levies and so some of the variance in budget versus actuals will likely be reduced after we get the April and May values. The first quarter collections of penalties and interest on delinquent property taxes came in 9.7 percent above forecast.

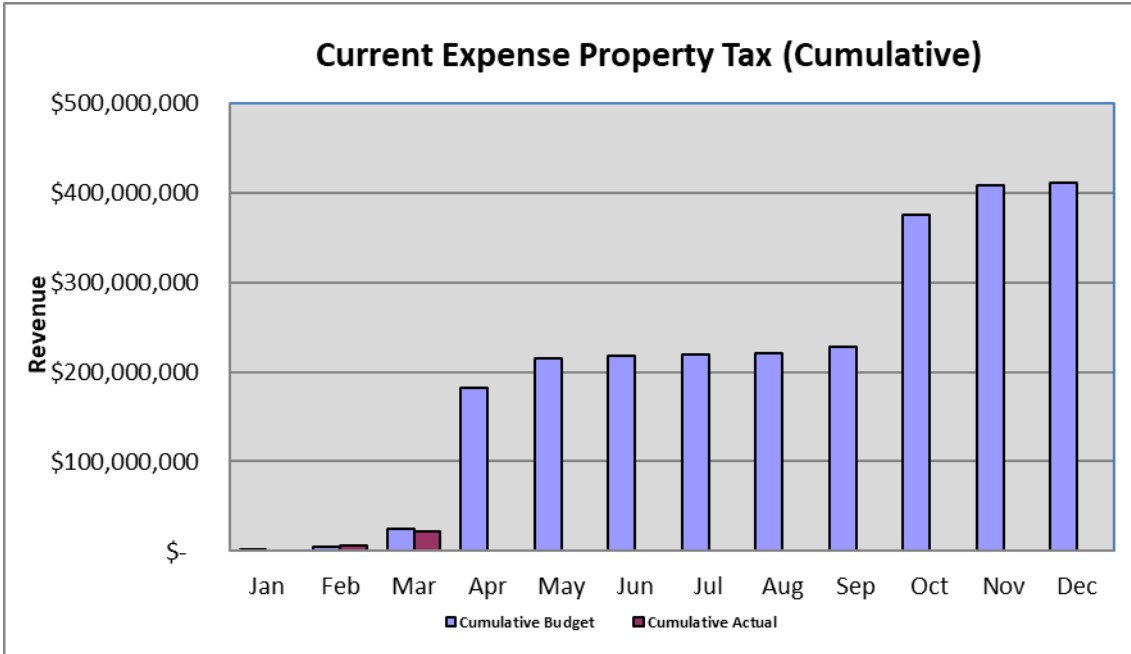
The first two months of 2024 saw taxable sales up slightly 0.6 percent year-over-year (yoy). Component growth for the first two months included utilities up 76 percent, transportation and warehousing and public administration each up 20 percent over last year. Some sectors were down from last year like construction sales which were down 6 percent (yoy), wholesale sales down 9.5 percent (yoy), finance and insurance down 9.6 percent and manufacturing sales down 5.7 percent (yoy). Sales tax distributions for the local option, MIDD, criminal justice, transit, and the health through housing (HTH) tax are all above forecast through February and it includes the annual installment of the deferred sales taxes for Climate Pledge Arena. Sales Taxes for Criminal Justice and Health through Housing were up the most by 4.4% each for the first two months of 2024.

Other revenue streams that deviated from forecast by more than one percent included the marijuana excise tax being up 20.6 percent and real estate excise taxes being up 6.8 percent for the first quarter. Year to date through March, real estate transactions are down 3.8 percent from 2023 and the average price is up about 7.9 percent from last year. All the other revenue streams were down from the projections with most being down by more than one percent. This includes two months of hotel/motel taxes (10 percent below forecast), lodging tax (HB 2015) (1.3 percent below forecast) and E-911 excise taxes (9.8 percent below forecast). Three months of collections for the motor vehicle fuel taxes (6.5 percent below forecast) and solid waste charges (2.6% below forecast) were also down from last projections by more than one percent.

The graphs on the following pages indicate revenues from specific funds, including comparisons between cumulative revenues as currently forecasted, shown by the blue bars, and cumulative actual revenues, indicated by the red bars. The table below the graphs show the single month of March's forecast, actual and difference for each taxing district's levy.

An appendix to this memo provides King County taxable retail sales by industry for February 2023 and February 2024. This table indicates that in the month of February, total taxable sales were up year over year by 3.5 percent. The areas of growth in taxable sales over a year ago included utilities (up 100+ percent), public administration (up 41 percent) arts, entertainment & recreation (up 19.6 percent), information (up 14 percent), transportation & warehousing (up 9 percent) and retail trade (up 5.4 percent). Some components of taxable sales were still down over last year like wholesale, construction, manufacturing and finance & insurance.

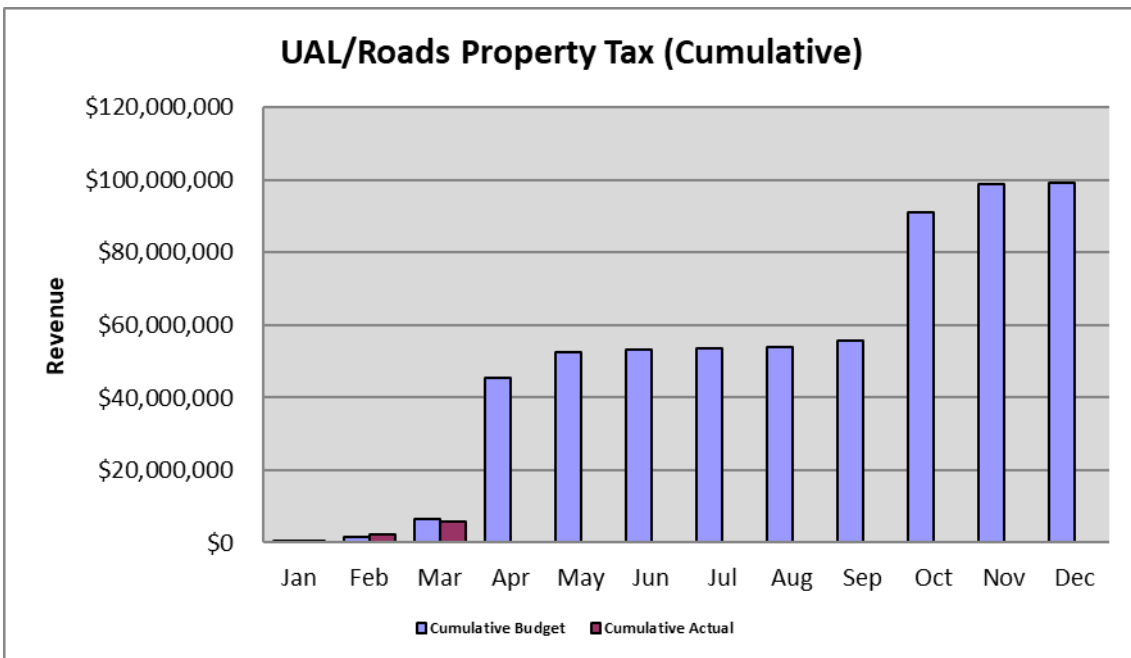
|     |               |                          |
|-----|---------------|--------------------------|
| Cc: | Adam Cooper   | PSB                      |
|     | Grant Lahmann | Finance Managers         |
|     | April Putney  | BFM Committee Lead Staff |



Data Source: King County EBS Acct 31111 & 31112

**Current Expense Taxes Comparison (March 2024)**

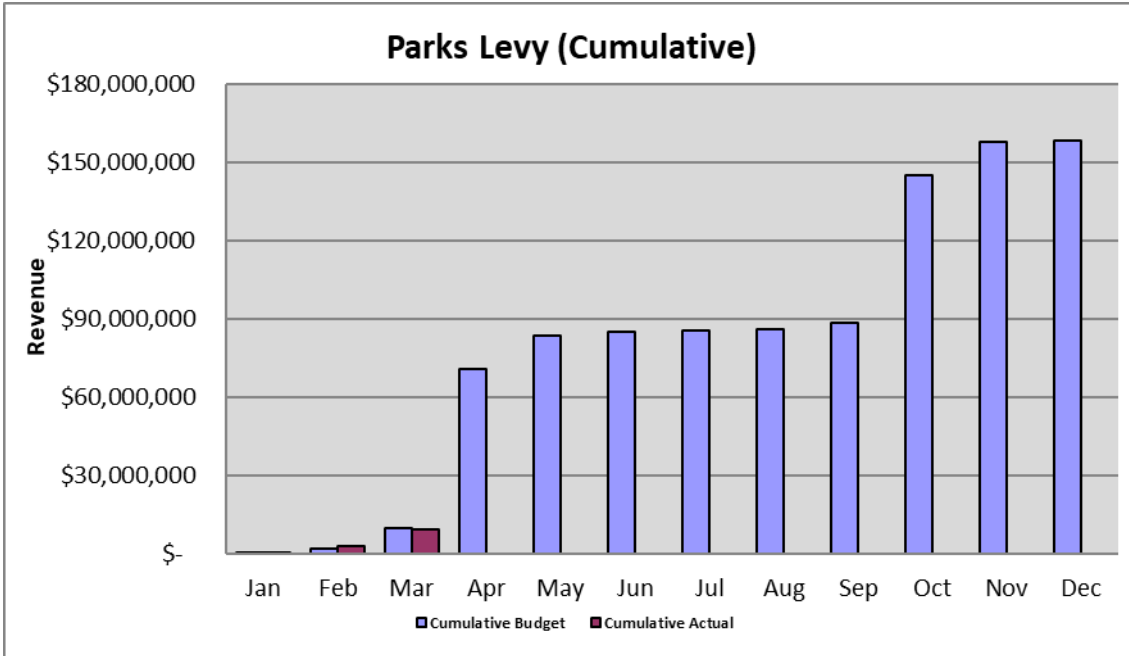
| Forecast      | Actual        | Actual-Forecast | Difference |
|---------------|---------------|-----------------|------------|
| \$ 20,009,803 | \$ 16,182,175 | \$ (3,827,629)  | -19.1%     |



Data Source: King County EBS Acct. 31111, 31112, 31113, 31114, & 31119

**UAL/Roads Property Taxes Comparison (March 2024)**

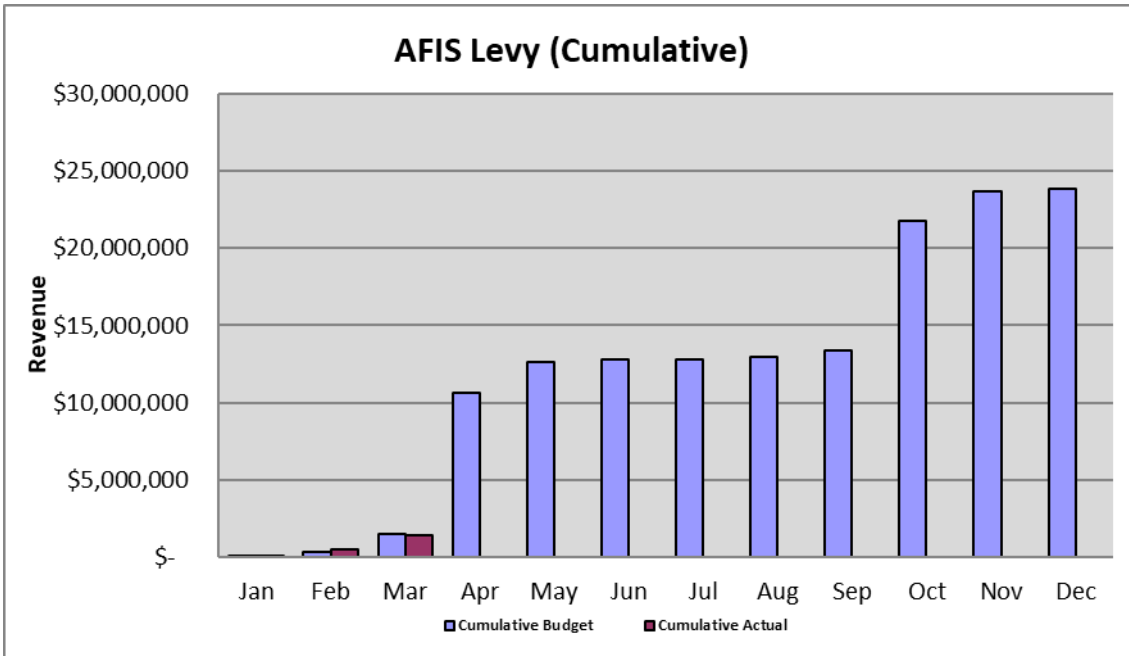
| Forecast     | Actual       | Actual-Forecast | Difference |
|--------------|--------------|-----------------|------------|
| \$ 4,955,793 | \$ 3,650,310 | \$ (1,305,483)  | -26.3%     |



Data: King County EBS 31111, 31112, 31113, 31114, & 31119

**Parks Property Taxes Comparison (March 2024)**

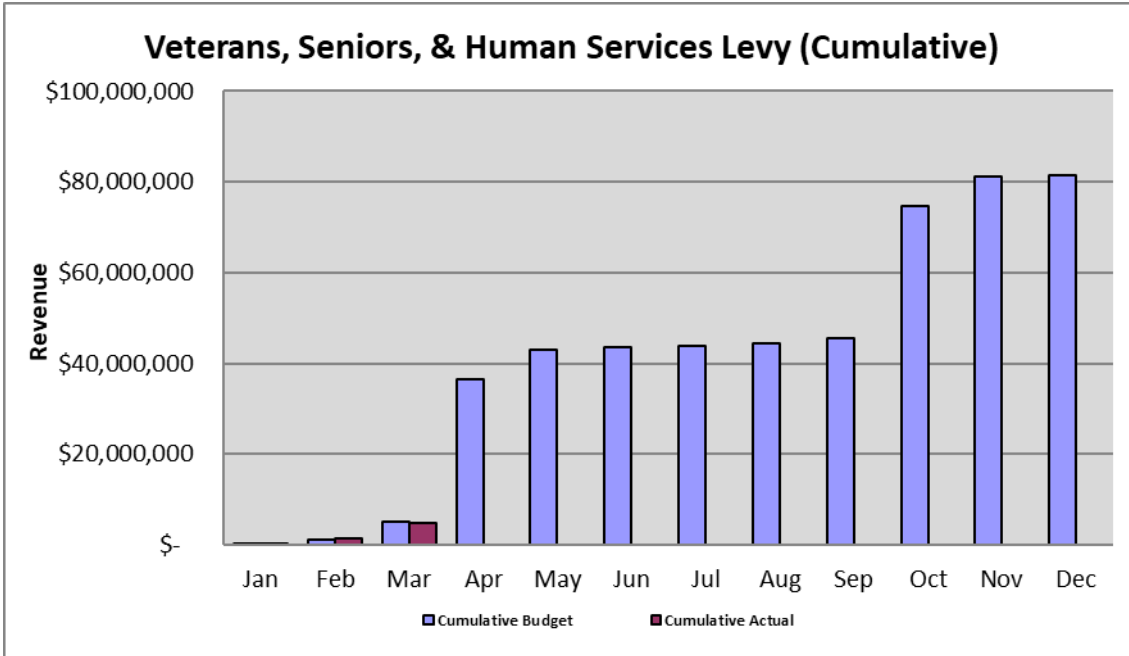
| Forecast     | Actual       | Actual-Forecast | Difference |
|--------------|--------------|-----------------|------------|
| \$ 7,885,535 | \$ 6,295,536 | \$ (1,590,000)  | -20.2%     |



Data Source: King County EBS Acct. 31111, 31112, 31113, 31114, & 31119

**AFIS Property Taxes Comparison (March 2024)**

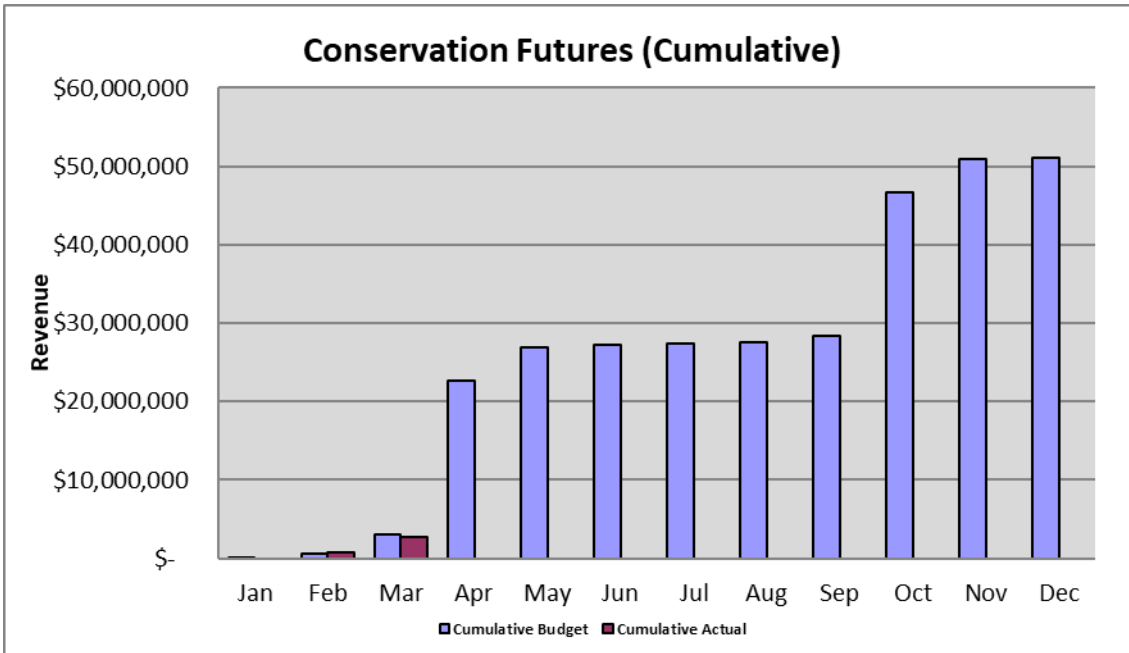
| Forecast     | Actual     | Actual-Forecast | Difference |
|--------------|------------|-----------------|------------|
| \$ 1,194,786 | \$ 955,085 | \$ (239,701)    | -20.1%     |



Data Source: King County EBS Fund 1143, Acct. 31111, 31112, 31113, 31114, & 31119

**VSHSL Property Taxes Comparison (March 2024)**

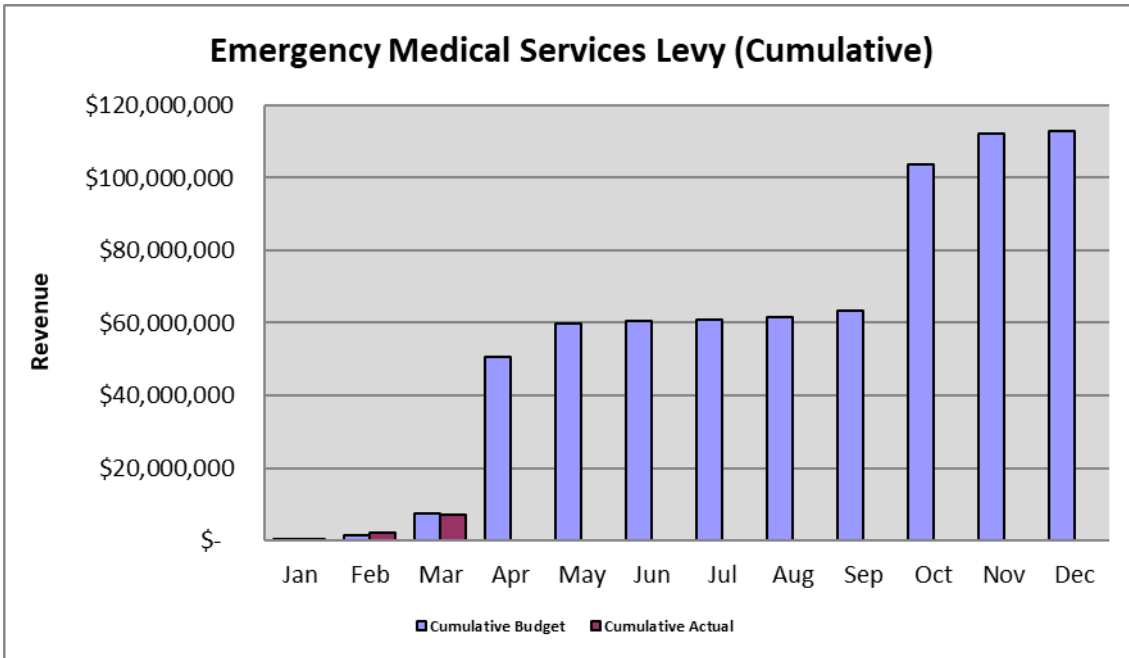
| Forecast     | Actual       | Actual-Forecast | Difference |
|--------------|--------------|-----------------|------------|
| \$ 4,063,037 | \$ 3,230,472 | \$ (832,566)    | -20.5%     |



Data Source: King County EBS, Acct. 31117

**Conservation Futures Property Taxes Comparison (March 2024)**

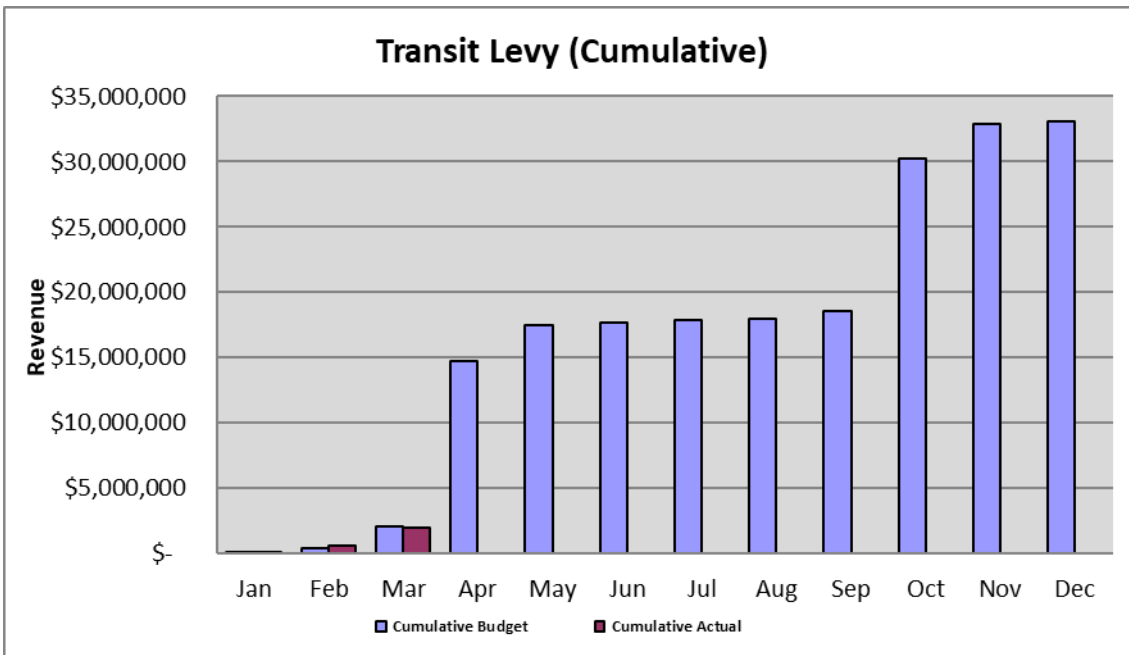
| Forecast     | Actual       | Actual-Forecast | Difference |
|--------------|--------------|-----------------|------------|
| \$ 2,482,386 | \$ 1,974,463 | \$ (507,923)    | -20.5%     |



Data Source: King County EBS Acct. 31111, 31112, 31113, 31114, & 31119

**EMS Property Taxes Comparison (March 2024)**

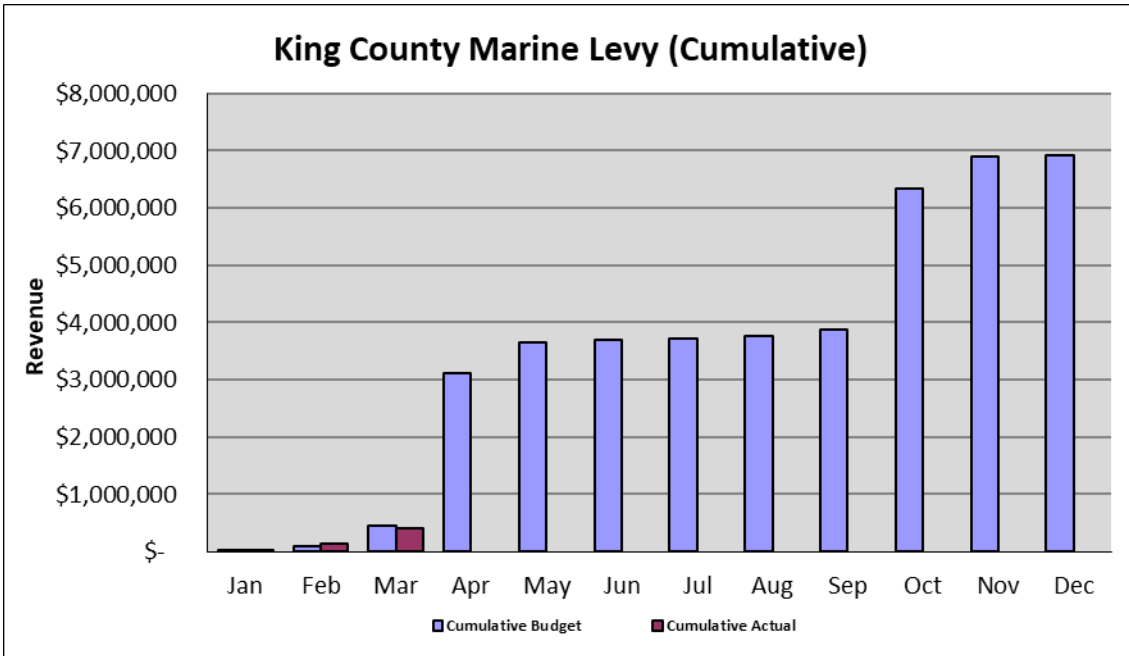
| Forecast     | Actual       | Actual-Forecast | Difference |
|--------------|--------------|-----------------|------------|
| \$ 5,780,630 | \$ 4,736,313 | \$ (1,044,317)  | -18.1%     |



Data Source: King County EBS Acct. 31111, 31112, 31113, 31114, & 31119

**Transit Property Taxes Comparison (March 2024)**

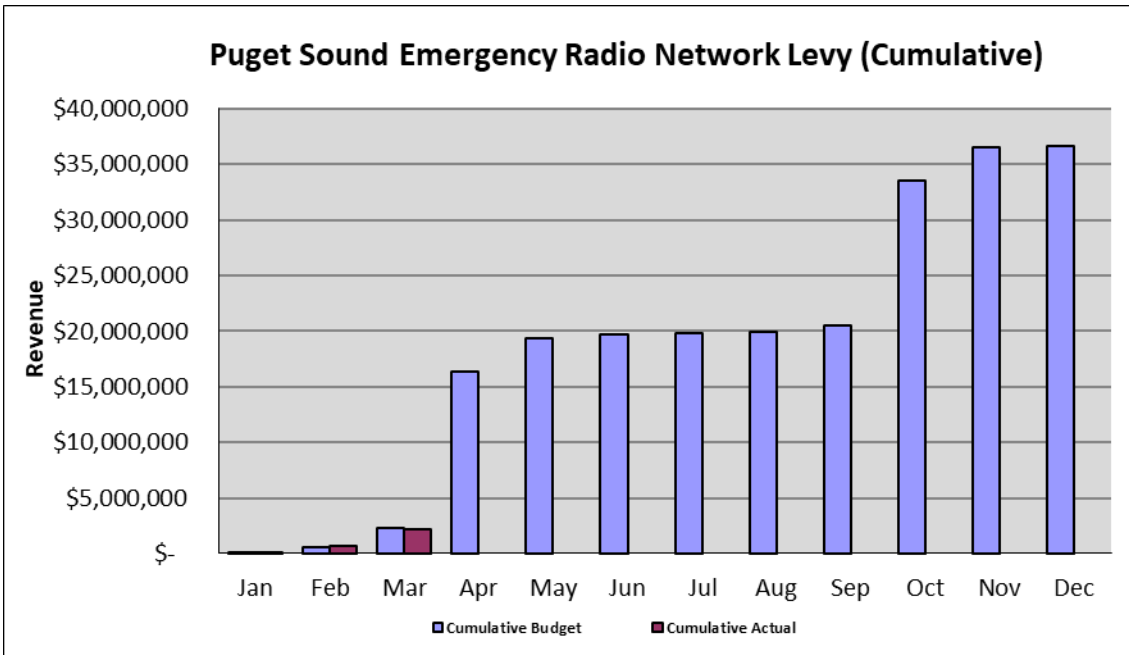
| Forecast     | Actual       | Actual-Forecast | Difference |
|--------------|--------------|-----------------|------------|
| \$ 1,657,317 | \$ 1,326,437 | \$ (330,879)    | -20.0%     |



Data Source: King County EBS Fund 3641, Accts 31111, 31112, 31113, 31114, & 31119

**King County Marine Property Taxes Comparison (March 2024)**

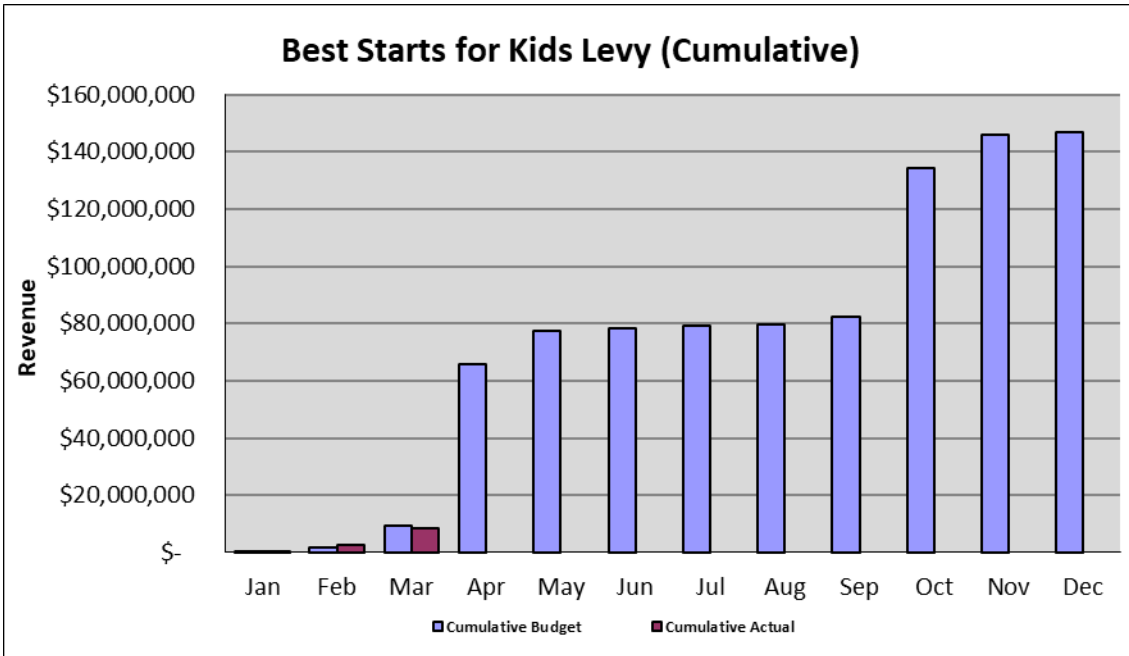
| Forecast   | Actual     | Actual-Forecast | Difference |
|------------|------------|-----------------|------------|
| \$ 349,373 | \$ 277,784 | \$ (71,589)     | -20.5%     |



Data Source: King County EBS Fund 1511, Accts 31111, 31112, 31113, 31113, & 31119

**Puget Sound Emergency Radio Network Property Taxes Comparison (March 2024)**

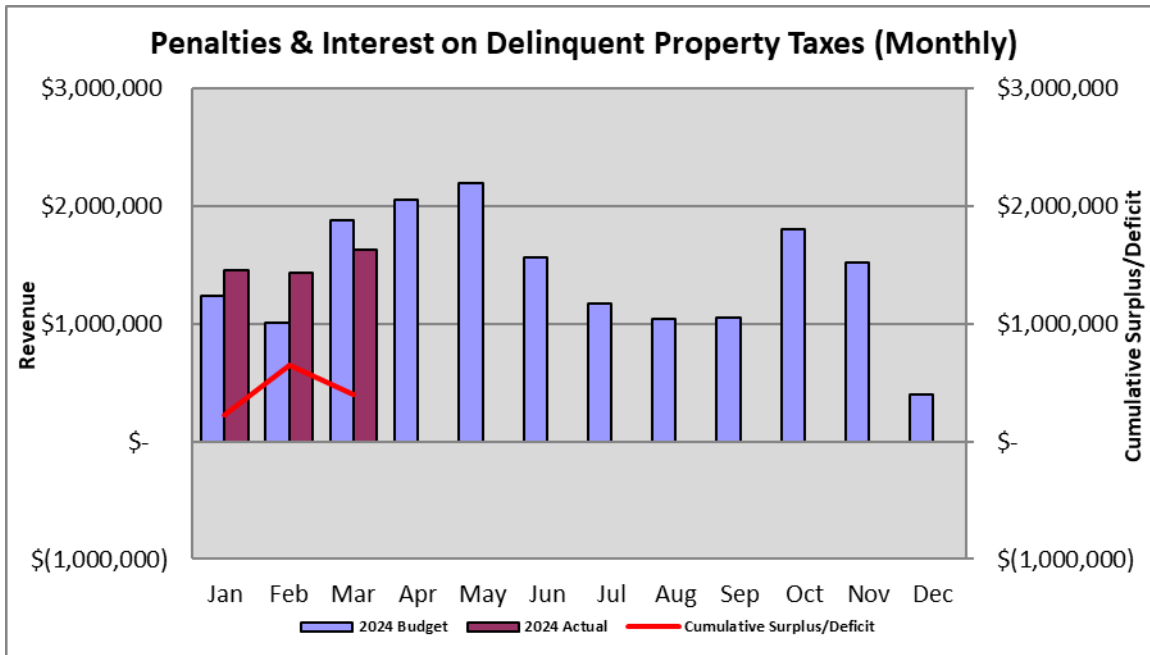
| Forecast     | Actual       | Actual-Forecast | Difference |
|--------------|--------------|-----------------|------------|
| \$ 1,840,560 | \$ 1,471,463 | \$ (369,097)    | -20.1%     |



Data Source: King County EBS Fund 1480, Accts 31111, 31112, 31113, 31114, & 31119

**Best Starts for Kids Property Taxes Comparison (March 2024)**

| Forecast     | Actual       | Actual-Forecast | Difference |
|--------------|--------------|-----------------|------------|
| \$ 7,291,673 | \$ 5,836,084 | \$ (1,455,589)  | -20.0%     |

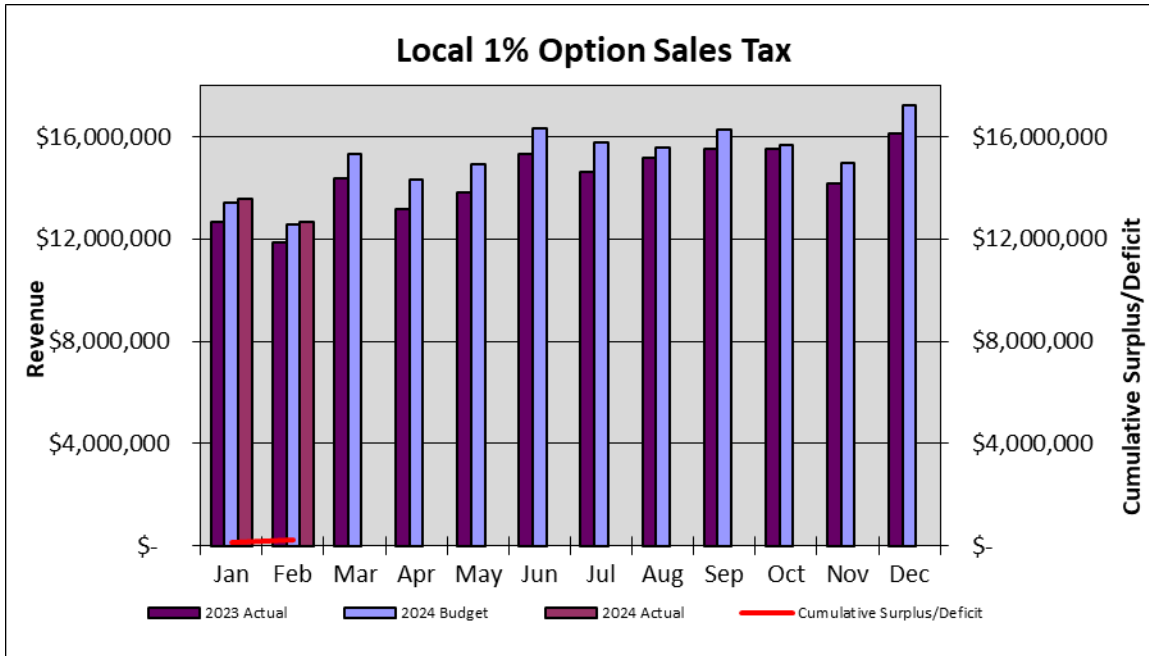


Data Source: King County EBS Fund 0010, Acct 31911

**Penalties and Interest on Delinquent Property Taxes Comparison (March 2024)**

| Forecast     | Actual       | Actual-Forecast | Difference |
|--------------|--------------|-----------------|------------|
| \$ 1,875,575 | \$ 1,625,246 | \$ (250,329)    | -13.3%     |

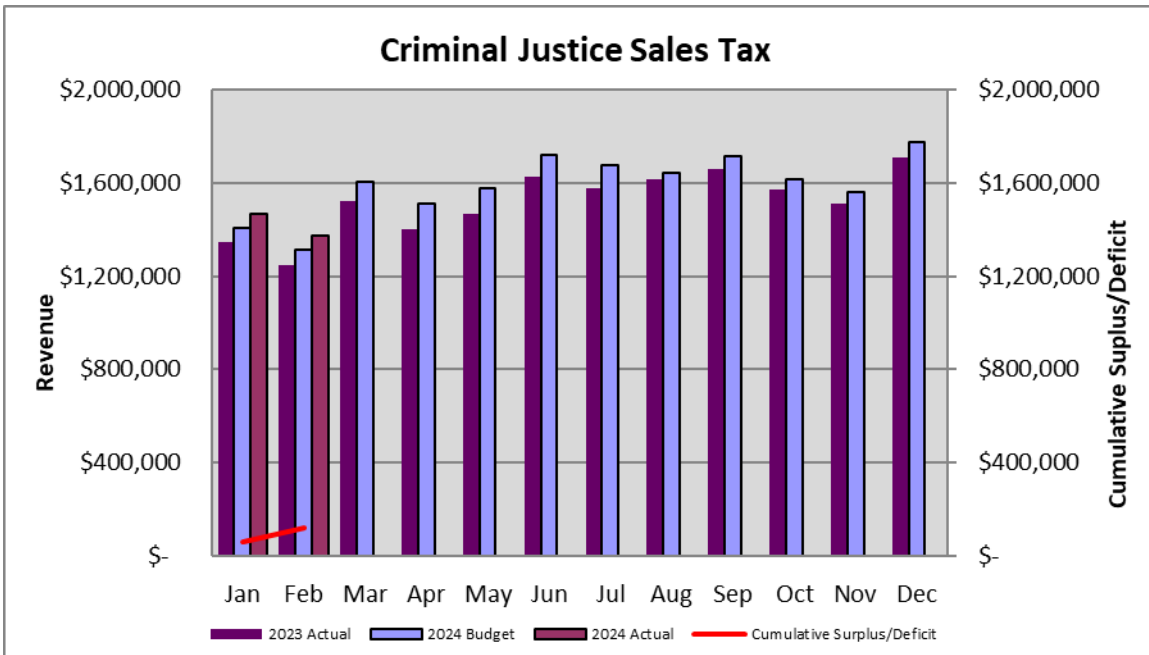




Data Source: Washington State DOR through February

**Local Option Sales Tax Comparison (February 2024)**

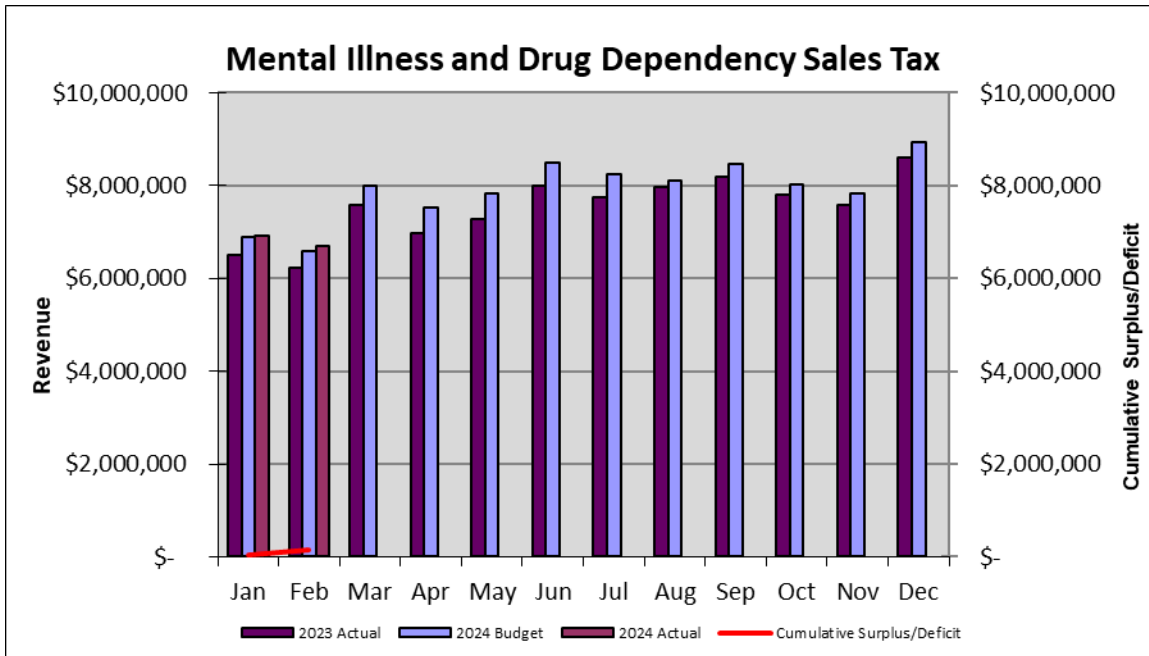
| Forecast      | Actual        | Actual-Forecast | Difference |
|---------------|---------------|-----------------|------------|
| \$ 12,581,449 | \$ 12,639,571 | \$ 58,122       | 0.5%       |



Data Source: Washington DOR through February

**CJ Sales Tax Comparison (February 2024)**

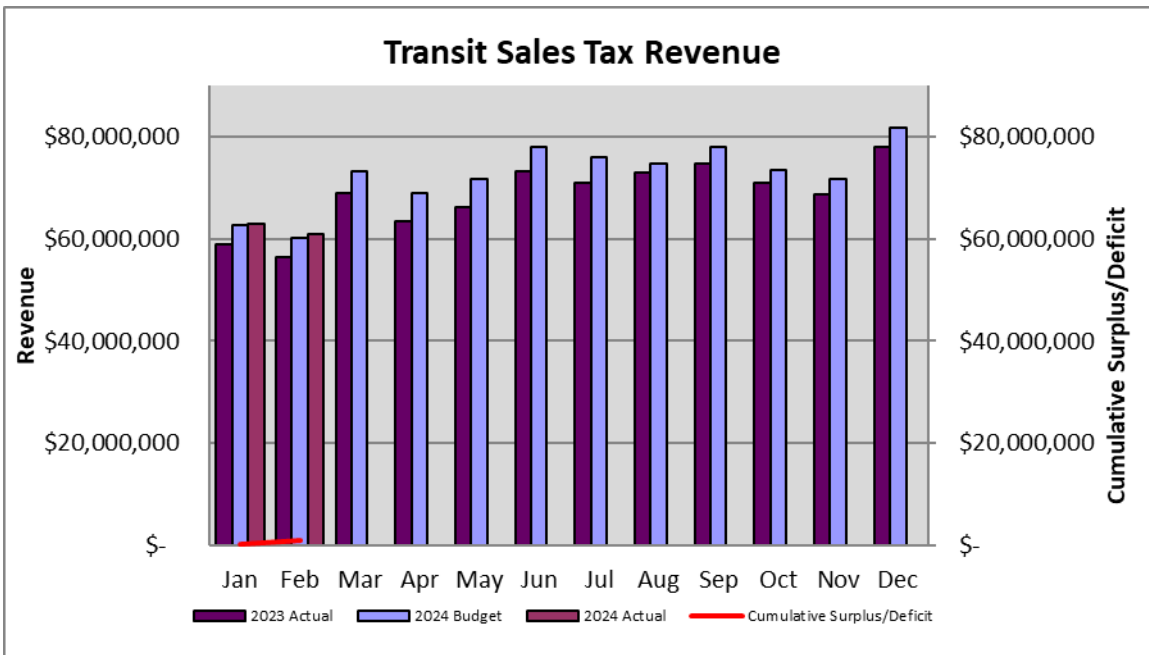
| Forecast     | Actual       | Actual-Forecast | Difference |
|--------------|--------------|-----------------|------------|
| \$ 1,315,407 | \$ 1,375,003 | \$ 59,596       | 4.5%       |



Data Source: Washington DOR through February

**MIDD Sales Tax Comparison (February 2024)**

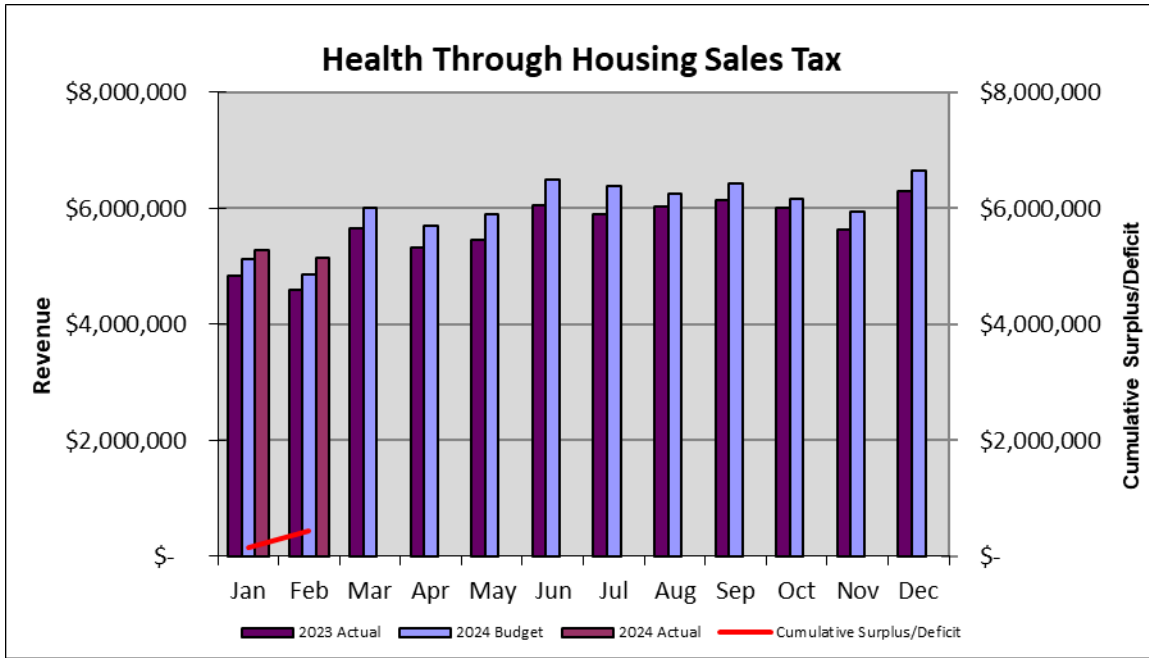
| Forecast     | Actual       | Actual-Forecast | Difference |
|--------------|--------------|-----------------|------------|
| \$ 6,579,719 | \$ 6,702,477 | \$ 122,758      | 1.9%       |



Data Source: Washington DOR through February

**Transit Sales Tax Comparison (February 2024)**

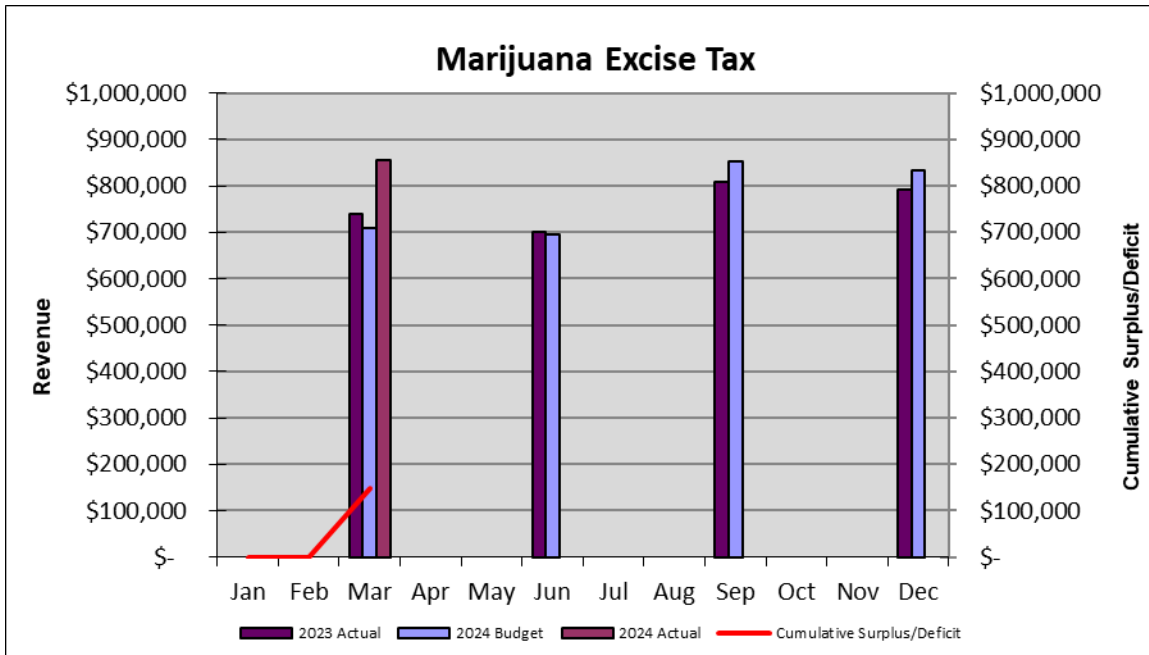
| Forecast      | Actual        | Actual-Forecast | Difference |
|---------------|---------------|-----------------|------------|
| \$ 60,150,034 | \$ 61,033,048 | \$ 883,014      | 1.5%       |



Data Source: Washington DOR through February

**HTH Sales Tax Comparison (February 2024)**

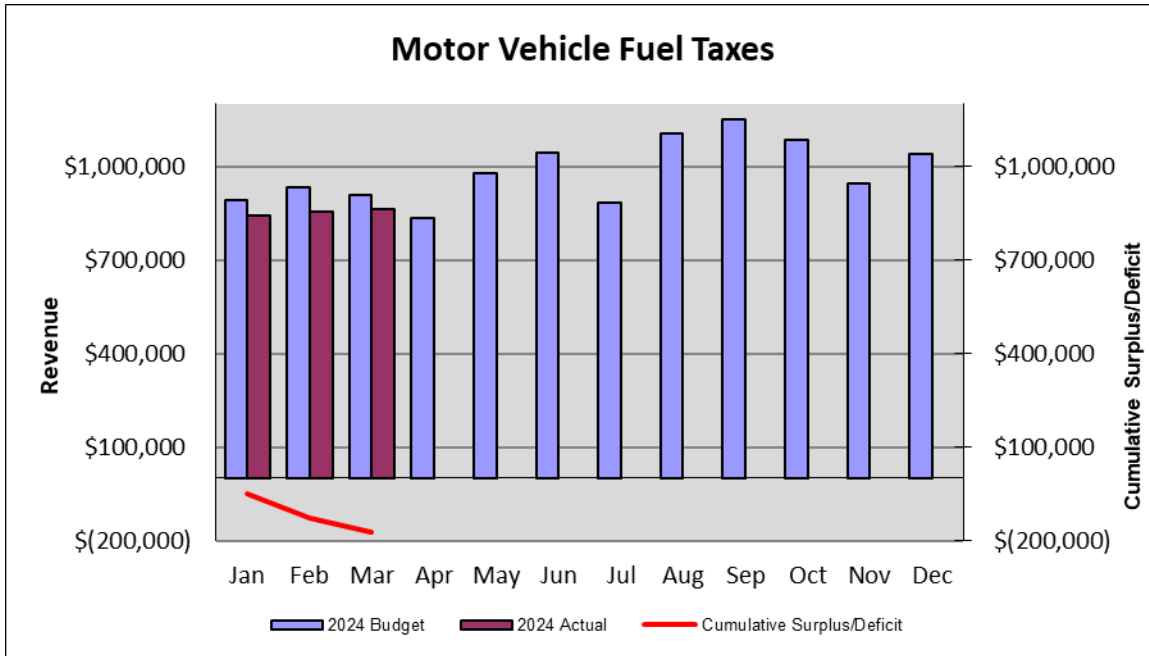
| Forecast     | Actual       | Actual-Forecast | Difference |
|--------------|--------------|-----------------|------------|
| \$ 4,862,580 | \$ 5,149,853 | \$ 287,273      | 5.9%       |



Data Source: King County EBS Fund 0010, Account 33605

**Marijuana Excise Tax Comparison (March 2024)**

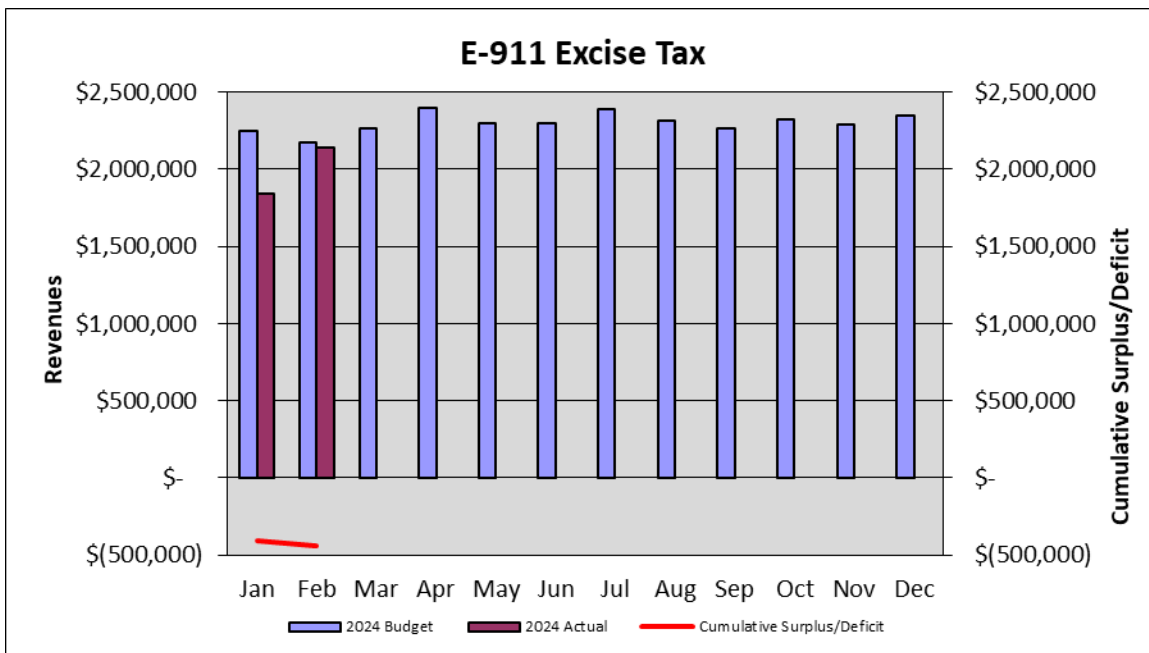
| Forecast   | Actual     | Actual-Forecast | Difference |
|------------|------------|-----------------|------------|
| \$ 708,848 | \$ 856,436 | \$ 147,588      | 20.8%      |



Data Source: King County EBS Acct. 33689

**MV Fuel Taxes Comparison (March 2024)**

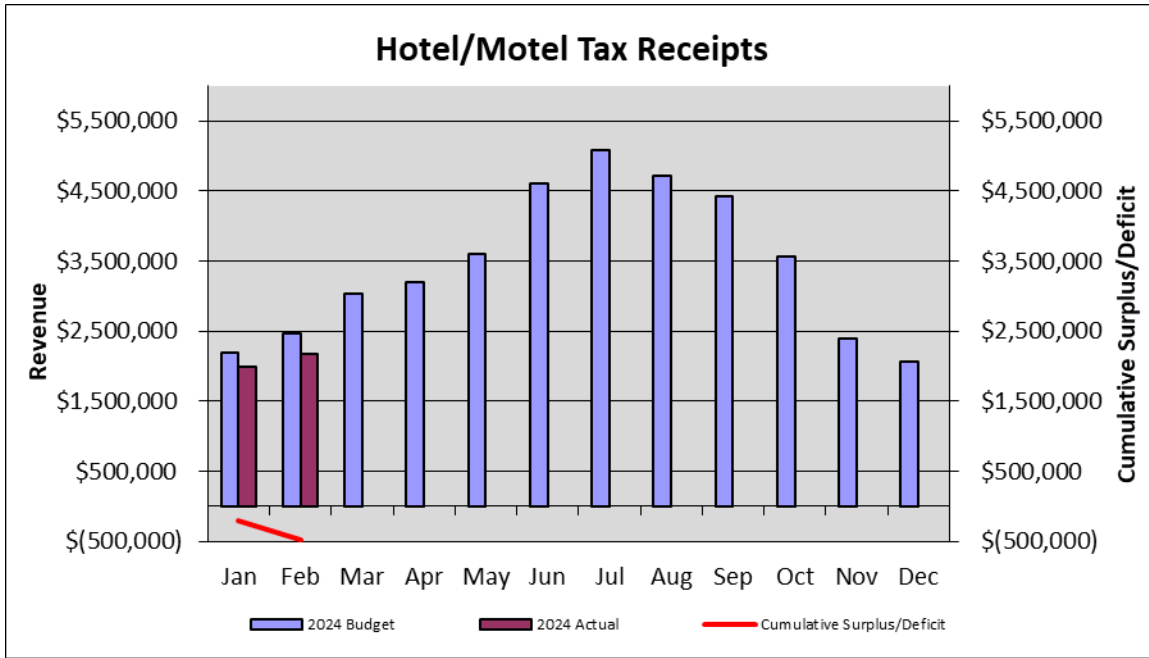
| Forecast   | Actual     | Actual-Forecast | Difference |
|------------|------------|-----------------|------------|
| \$ 909,436 | \$ 864,140 | \$ (45,297)     | -5.0%      |



Data Source: Washington DOR through February

**E-911 Excise Tax Comparison (February 2024)**

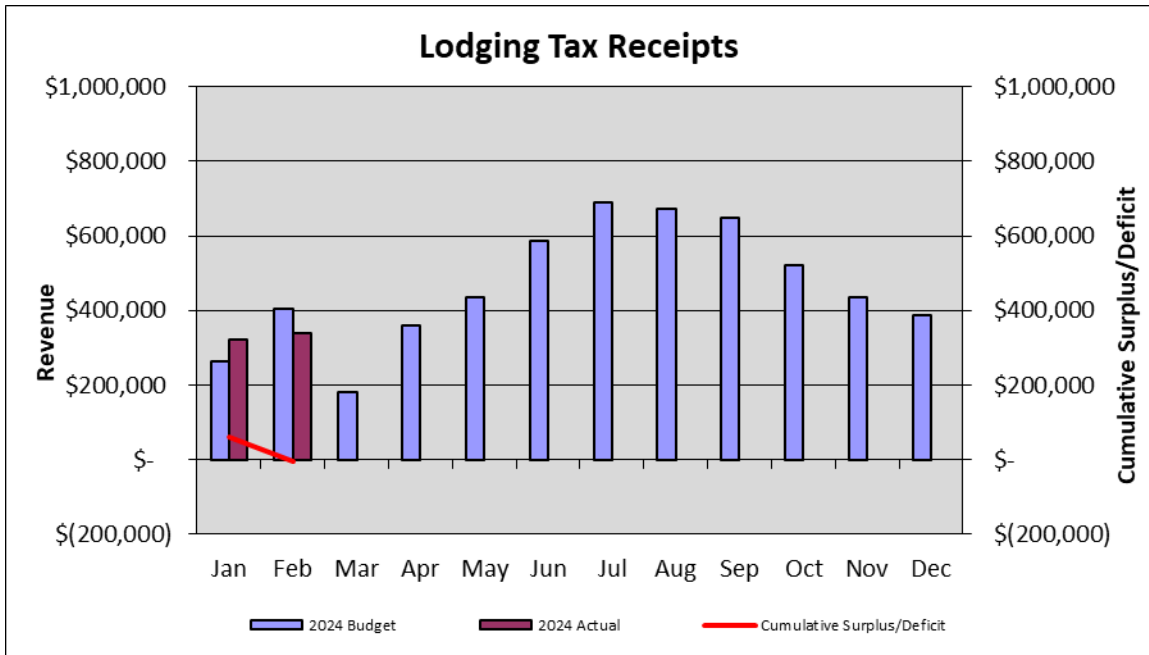
| Forecast     | Actual       | Actual-Forecast | Difference |
|--------------|--------------|-----------------|------------|
| \$ 2,168,761 | \$ 2,140,934 | \$ (27,827)     | -1.3%      |



Data Source: Washington DOR through February

**Hotel/Motel Tax Comparison (February 2024)**

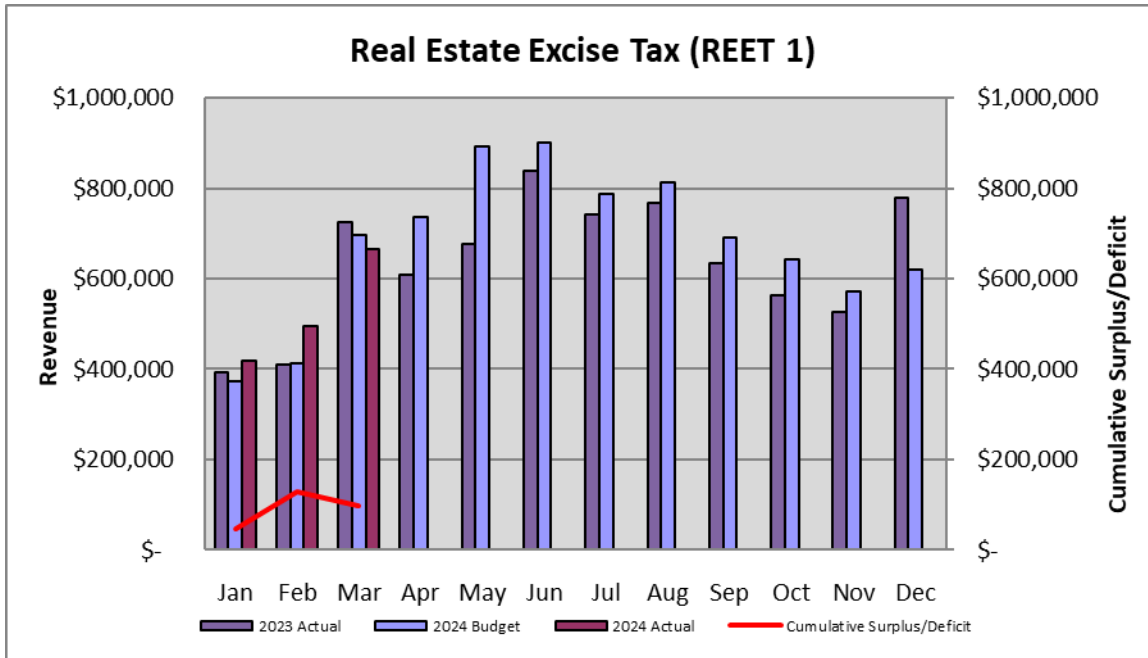
| Forecast     | Actual       | Actual-Forecast | Difference |
|--------------|--------------|-----------------|------------|
| \$ 2,459,361 | \$ 2,171,334 | \$ (288,027)    | -11.7%     |



Data Source: Washington DOR through February

**Lodging Tax Comparison (February 2024)**

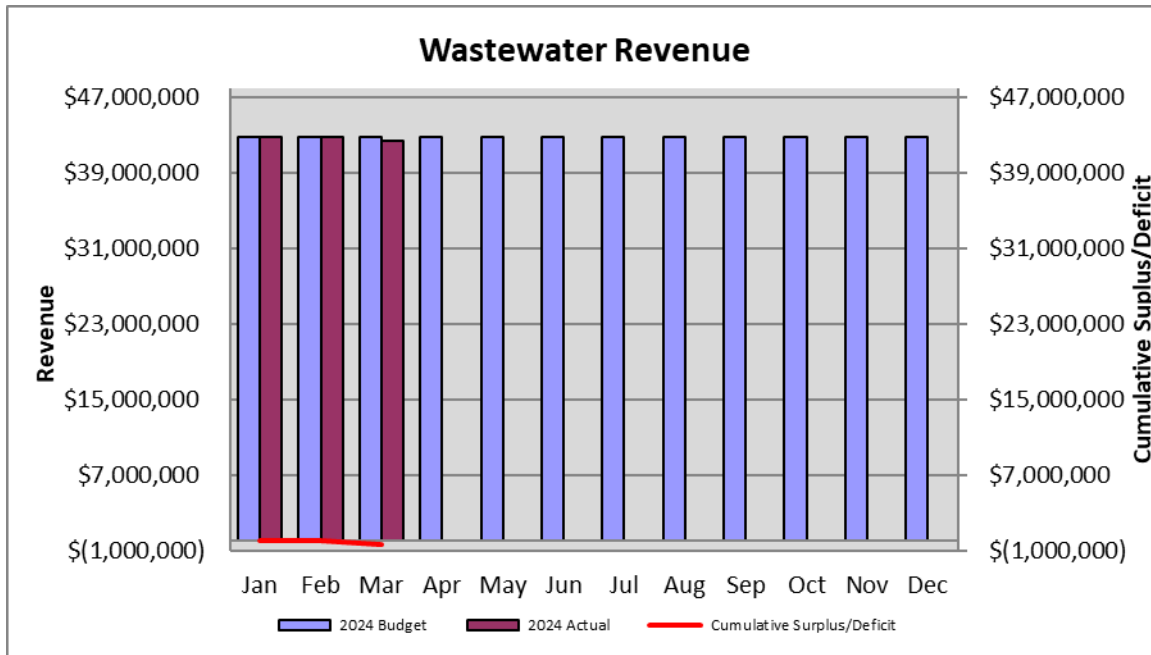
| Forecast   | Actual     | Actual-Forecast | Difference |
|------------|------------|-----------------|------------|
| \$ 403,669 | \$ 338,380 | \$ (65,289)     | -16.2%     |



Data Source: King County EBS Acct 31734

**Real Estate Excise Tax (REET 1) Comparison (March 2024)**

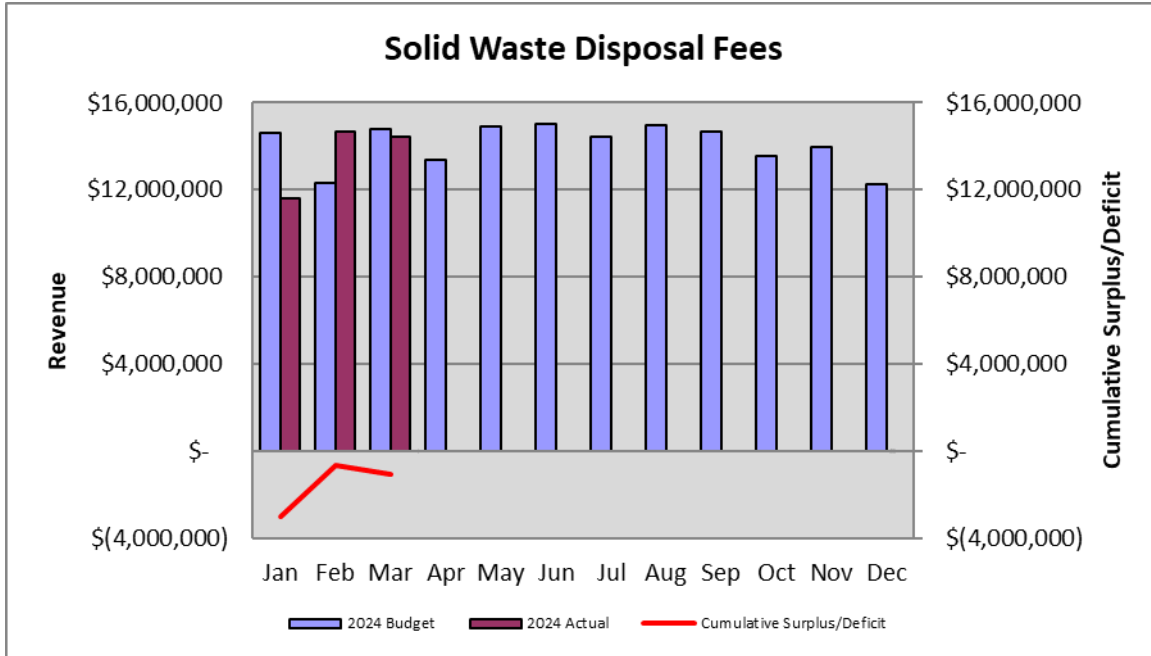
| Forecast   | Actual     | Actual-Forecast | Difference |
|------------|------------|-----------------|------------|
| \$ 696,759 | \$ 664,400 | \$ (32,359)     | -4.6%      |



Data Source: King County EBS Acct 44192

**Wastewater Revenues Comparison (March 2024)**

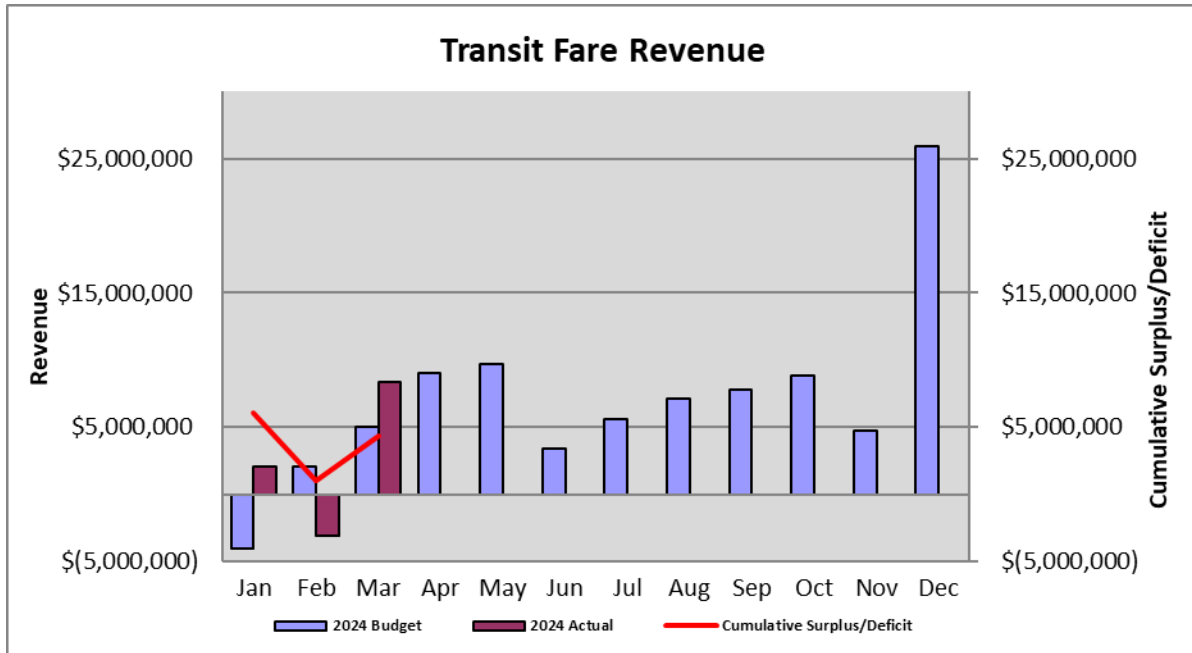
| Forecast      | Actual        | Actual-Forecast | Difference |
|---------------|---------------|-----------------|------------|
| \$ 42,784,325 | \$ 42,427,683 | \$ (356,642)    | -0.8%      |



Data Source: EBS acct. 34371

**Solid Waste Net Disposal Charges Comparison (March 2024)**

| Forecast      | Actual        | Actual-Forecast | Difference |
|---------------|---------------|-----------------|------------|
| \$ 14,814,836 | \$ 14,411,138 | \$ (403,699)    | -2.7%      |



Data Source: King County EBS Accts 44233, 44234, 44235, 44237, 44249, 44253, and 44269

**Transit Fare Charges Comparison (March 2024)**

| Forecast     | Actual       | Actual-Forecast | Difference |
|--------------|--------------|-----------------|------------|
| \$ 5,022,277 | \$ 8,374,059 | \$ 3,351,782    | 66.7%      |

**Appendix**  
**King County Taxable Retail Sales by Industry**  
 (Current obligations: February 2023 – February 2024)

| NAICS Category   | 2-digit NAICS | Feb-23                  | Feb-24                  | Percent change (2023-2024)    |
|--|---------------|-------------------------|-------------------------|-------------------------------|
| Agriculture  | 11            | \$ 1,360,434            | \$ 1,408,536            | 3.5%                          |
| Mining   | 21            | 433,732                 | 364,395                 | -16.0%                        |
| Utilities  | 22            | 6,236,576               | 12,707,797              | 103.8%                        |
| Construction   | 23            | 1,563,461,743           | 1,469,047,396           | -6.0%                         |
| Manufacturing  | 31-33         | 181,722,872             | 176,693,319             | -2.8%                         |
| Wholesale  | 41-42         | 422,820,313             | 389,169,143             | -8.0%                         |
| Retail Trade   | 44-45         | 2,147,830,005           | 2,264,806,641           | 5.4%                          |
| Transportation and Warehousing                                     | 48-49         | 109,289,242             | 119,076,513             | 9.0%                          |
| Information  | 51            | 287,818,450             | 329,182,001             | 14.4%                         |
| Finance & Insurance  | 52            | 57,171,936              | 56,848,059              | -0.6%                         |
| Real Estate, Rental, Leasing                                       | 53            | 144,756,141             | 155,952,687             | 7.7%                          |
| Professional, Scientific, Technical Services                       | 54            | 261,089,026             | 280,769,601             | 7.5%                          |
| Management, Education and Health Services                          | 55-62         | 414,897,966             | 469,155,905             | 13.1%                         |
| Arts, Entertainment and Recreation                                 | 71            | 72,899,545              | 87,203,882              | 19.6%                         |
| Accommodations, Food Services                                      | 72            | 624,487,219             | 671,240,358             | 7.5%                          |
| Other Services   | 81            | 145,592,696             | 161,219,543             | 10.7%                         |
| Public Administration  | 92            | 64,913,706              | 91,612,255              | 41.1%                         |
| Other  |               | -                       | -                       | 0.0%                          |
| <b>Total-All Industries</b>  |               | <b>\$ 6,506,781,603</b> | <b>\$ 6,736,458,029</b> | <b>3.5%</b>                   |
| NAICS Category   | 3-digit NAICS | Feb-23                  | Feb-24                  | Percentage change (2023-2024) |
| <b>Construction</b>  |               |                         |                         |                               |
| Construction of Buildings  | 236           | \$ 1,105,094,056        | \$ 1,003,052,517        | -9.2%                         |
| Heavy and Civil Engineering Construction                           | 237           | 82,315,158              | 81,342,258              | -1.2%                         |
| Specialty Trade Contractors  | 238           | 376,052,529             | 384,652,621             | 2.3%                          |
| <b>Retail</b>  |               |                         |                         |                               |
| Motor Vehicle and Parts Dealers                                    | 441           | 492,423,026             | 462,630,862             | -6.1%                         |
| Building Material and Garden Equipment and Supplies Dealers        | 444           | 151,457,688             | 146,571,983             | -3.2%                         |
| Food and Beverage Stores   | 445           | 126,268,686             | 134,165,789             | 6.3%                          |
| Furniture, Home Furnishings, Electronics, and Appliance Retailers  | 449           | 284,519,079             | 284,567,637             | 0.0%                          |
| General Merchandise Retailers                                      | 455           | 232,959,196             | 239,234,989             | 2.7%                          |
| Health and Personal Care Retailers                                 | 456           | 109,789,098             | 89,638,064              | -18.4%                        |
| Gasoline Stations and Fuel Dealers                                 | 457           | 45,708,876              | 44,833,597              | -1.9%                         |
| Clothing, Clothing Accessories, Shoe, and Jewelry Retailers        | 458           | 159,949,498             | 167,657,193             | 4.8%                          |
| Sporting Goods, Hobby, Musical Instrument, Book, & Misc. Retailers | 459           | 544,754,857             | 695,506,527             | 27.7%                         |
| <b>Wholesale</b>   |               |                         |                         |                               |
| Wholesale: Durable Goods   | 423           | 349,367,264             | 319,815,716             | -8.5%                         |
| Wholesale: Nondurable Goods  | 424           | 68,752,366              | 64,666,196              | -5.9%                         |
| Wholesale: Electronic Markets                                      | 425           | 4,700,683               | 4,687,231               | -0.3%                         |
| <b>Food Service and Accommodations</b>                             |               |                         |                         |                               |
| Accommodation  | 721           | 112,319,817             | 130,322,461             | 16.0%                         |
| Food Services and Drinking Places                                  | 722           | 512,167,402             | 540,917,897             | 5.6%                          |
| Note: NAICS values were updated & consolidated in 2022             |               |                         |                         |                               |
| NAICS Category   | 4-digit NAICS | Feb-23                  | Feb-24                  | Percentage change (2023-2024) |
| Sporting Goods, Hobby, and Musical Instrument Retailers            | 4591          | \$ 83,706,289           | \$ 78,260,881           | -6.5%                         |
| Book Retailers and News Dealers                                    | 4592          | 6,553,566               | 6,790,679               | 3.6%                          |
| Florists   | 4593          | 4,210,584               | 4,319,321               | 2.6%                          |
| Office Supplies, Stationery, and Gift Retailers                    | 4594          | 19,772,625              | 20,478,647              | 3.6%                          |
| Used Merchandise Retailers   | 4595          | 10,020,904              | 10,366,170              | 3.4%                          |
| Other Miscellaneous Retailers                                      | 4599          | 420,490,889             | 575,290,828             | 36.8%                         |