

Dear Neighbor,

This year, I was honored to be selected to serve as the Chair of the King County Council's Budget Committee, and will lead the annual deliberation and passage of the 2011 budget.

With this privilege comes great responsibility. King County is facing a budget crisis of incomparable magnitude, primarily due to the worldwide economic recession. I have the challenging task of balancing a budget that will severely cut critical functions of government, such as criminal justice, health, and human services programs.

In this newsletter, I have provided a "Budget 101", to help you understand the King County budget, why the budget crisis is happening, and possible options for balancing the upcoming budget.

I look forward to seeing you at the public meeting on October 19th!

Sincerely,

Julia Patterson

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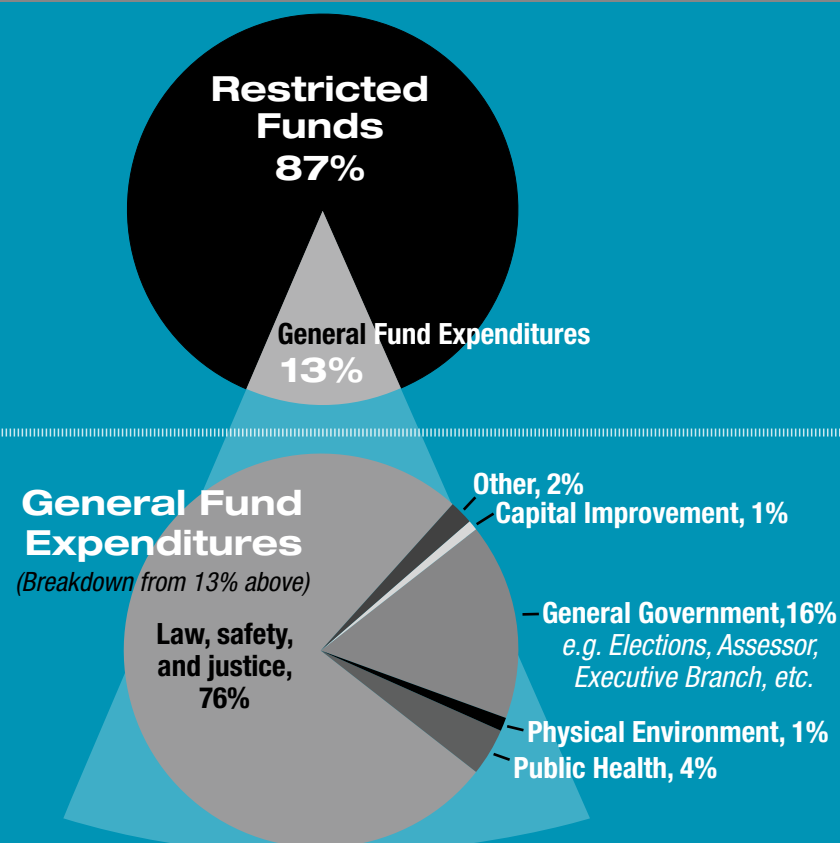
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## Budget 101 Understanding the King County Budget

### Legal Constraints on the county budget

Most of the county budget is restricted by law to specific purposes, such as transit, sewage treatment, and voter-approved services like Medic-One. The only discretionary portion is the general fund, which supports services like public safety, public health and elections.

King County is mandated by state law to fund criminal justice and public safety services. These services are funded from the General Fund.



King County Councilmember  
**Julia Patterson**  
invites you to attend a

**County Budget Hearing**  
Tuesday, October 19, 6:30 pm

**Maleng Regional Justice Center in Kent**  
401 4th Avenue North - Jury Assembly Room, 2E

- Learn about the budget process.
- How is your money being spent?
- What do your neighbors think?

King County must adopt a balanced budget for 2011 that protects the public. Your voice and your opinion will be vital in how we meet the fiscal challenges facing us this year.

If you wish to provide public testimony, please come early to sign in

For more information, visit my website: [www.kingcounty.gov/patterson](http://www.kingcounty.gov/patterson) ■ [julia.patterson@kingcounty.gov](mailto:julia.patterson@kingcounty.gov)

## 1 How are county services funded?

King County has only two principal tax revenue sources to fund the many services it provides residents: property tax and sales tax.

Although you pay your property taxes to King County, the County receives only 17 cents of every dollar. The rest goes to other taxing jurisdictions as shown in the graph to the right.

With the sales tax of 9.5 cents per dollar in King County, the county splits 1.1 cents with cities, and the rest is distributed to other agencies.

## 2 Why is there a budget shortfall?

Counties across Washington State face a structural gap between revenue and cost of services. There are a number of reasons why the structural gap has widened in recent years:

- While expenses rise 4-5% a year, State law (Initiative 747) limits increases in property taxes to 1%, plus revenue from new construction
- The current global recession and the slowdown in new construction has depressed property tax revenues
- Sales tax revenues have declined considerably as consumers cut back on spending

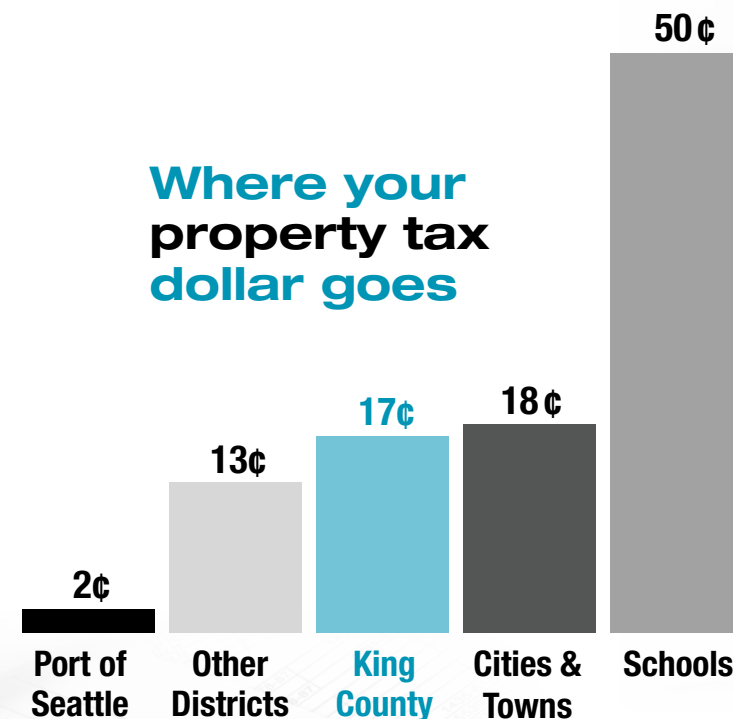
## 3 How has the structural gap affected King County?

The projected deficit, or difference between revenue and costs, for King County is \$60 million - out of our \$630 million general fund - for 2011. Counties are required by law to adopt a balanced budget. Because of the effect of the structural gap, King County is forced to cut needed services in order to balance the budget.

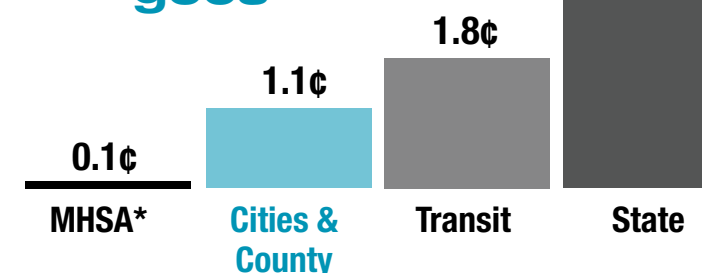
## 4 What County services are at risk?

- The criminal justice system of prosecutors and public defenders, District and Superior Courts, juvenile detention and adult jails
- The King County Sheriff's Office, which serves residents of unincorporated areas and contracts with many cities to provide police protection;
- Public health and human services;
- Metro Transit bus service and county roads; and
- Elections, records, and licensing.

### Where your property tax dollar goes



### Where your sales tax contribution goes



\*mental health and substance abuse treatment

### Budget adoption calendar

The County Executive presented his proposed budget to the King County Council on September 27. During September and October, the Council will be holding a series of public meetings in different regions of the county and prepares a final budget. The budget is scheduled for adoption on November 22. For dates and venues of public hearings, and more information on the County budget visit [www.kingcounty.gov/council](http://www.kingcounty.gov/council)