

CHANGES IN NET ASSETS
LAST SEVEN FISCAL YEARS
 (ACCRUAL BASIS OF ACCOUNTING)
 (IN THOUSANDS)
 (PAGE 1 OF 2)

	2002	2003	2004	2005	2006	2007	2008
Expenses							
Governmental activities:							
General government	\$ 55,835	\$ 53,635	\$ 79,723	\$ 85,516	\$ 88,278	\$ 95,864	\$ 168,271
Law, safety and justice	462,834	491,834	474,808	476,101	509,234	544,838	580,105
Physical environment	51,556	52,386	58,092	51,897	56,322	63,326	75,638
Transportation	63,373	64,722	71,487	90,803	96,401	107,471	115,090
Economic environment	73,334	80,360	76,519	87,420	92,460	94,555	99,839
Mental and physical health	316,631	327,212	504,252	346,672	361,817	381,286	421,355
Culture and recreation	33,734	36,432	38,888	36,902	40,974	50,100	56,285
Interest and other debt service costs	53,116	45,980	49,383	54,538	52,361	53,299	51,455
Total governmental activities expenses	<u>1,110,413</u>	<u>1,152,561</u>	<u>1,353,152</u>	<u>1,229,849</u>	<u>1,297,847</u>	<u>1,390,739</u>	<u>1,568,038</u>
Business-type activities:							
Airport	11,816	11,590	12,356	15,537	15,392	14,620	15,842
Public Transportation	449,670	463,219	508,290	529,679	535,471	588,234	667,651
Solid Waste	79,571	79,105	78,074	95,457	102,127	116,252	110,348
Water Quality	219,634	212,355	222,238	228,438	243,496	242,808	251,910
Other	5,380	6,165	6,155	5,788	6,687	8,025	7,540
Total business-type activities expenses	<u>766,071</u>	<u>772,434</u>	<u>827,113</u>	<u>874,899</u>	<u>903,173</u>	<u>969,939</u>	<u>1,053,291</u>
Total primary government expenses	<u>\$ 1,876,484</u>	<u>\$ 1,924,995</u>	<u>\$ 2,180,265</u>	<u>\$ 2,104,748</u>	<u>\$ 2,201,020</u>	<u>\$ 2,360,678</u>	<u>\$ 2,621,329</u>
Program Revenues							
Governmental activities:							
Charges for services:							
General government	\$ 55,121	\$ 43,181	\$ 53,612	\$ 58,896	\$ 48,625	\$ 65,440	\$ 57,139
Law, safety and justice	98,573	95,084	108,617	106,315	118,722	125,103	128,424
Physical environment	38,456	50,836	53,744	43,231	42,517	44,564	48,286
Transportation	22,338	18,474	17,641	19,157	16,725	17,003	18,716
Economic environment	26,422	35,521	31,791	34,830	39,424	48,586	29,148
Mental and physical health	191,183	193,893	175,296	183,590	206,589	226,341	248,617
Culture and recreation	6,650	7,294	5,838	5,700	6,538	7,264	7,710
Interest and other debt service costs	3,432	3,334	4,651	4,049	8,339	4,864	911
Operating grants and contributions:							
General government	3,837	3,807	3,888	3,166	3,020	4,010	5,457
Law, safety and justice	28,135	26,192	25,931	34,230	27,595	33,675	32,147
Physical environment	1,988	1,564	2,560	3,016	2,075	2,033	4,290
Transportation	16,164	15,587	15,287	15,540	16,351	18,100	17,721
Economic environment	27,768	34,758	30,683	29,123	23,353	21,635	22,347
Mental and physical health	93,942	96,143	100,133	102,909	106,272	95,420	101,541
Culture and recreation	124	1,706	91	908	343	608	133
Interest and other debt service costs	3,977	4,127	3,760	4,407	4,554	4,734	4,961
Capital grants and contributions:							
General government	367	1,164	2,357	1,558	5,868	1,010	284
Physical environment	2,229	5,112	1,997	5,386	8,014	5,406	4,125
Transportation	79,820	94,254	91,813	147,870	87,979	76,403	73,749
Culture and recreation	679	3,151	941	1,799	-	89	101
Total governmental activities program revenues	<u>701,205</u>	<u>735,182</u>	<u>730,631</u>	<u>805,680</u>	<u>772,903</u>	<u>802,288</u>	<u>805,807</u>

Notes:

(1) Accrual-basis financial information for the County is available back to 2002 only, the year GASB Statement 34 was implemented.

(2) In 2007, four Washington state nonprofit corporations each of which are single-purpose entities that were created to assist the County in the development and construction of public buildings have been recognized as a single blended component unit of the County in accordance with GASB Statement 14 criteria. The Changes in Net Assets for 2006 have been restated for this change.

(3) In 2007, Changes in Net Assets for 2006 have been restated for prior period adjustments in infrastructure and related right-of-way costs.

CHANGES IN NET ASSETS
LAST SEVEN FISCAL YEARS
 (ACCRUAL BASIS OF ACCOUNTING)
 (IN THOUSANDS)
 (PAGE 2 OF 2)

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
Business-type activities:							
Charges for services:							
Airport	\$ 8,821	\$ 9,398	\$ 11,496	\$ 11,308	\$ 12,481	\$ 13,921	\$ 18,075
Public Transportation	107,621	104,348	113,335	131,321	143,831	160,231	173,011
Solid Waste	81,981	84,764	90,595	91,207	94,316	93,376	98,821
Water Quality	216,515	218,862	222,415	224,595	242,852	264,440	284,214
Other	5,544	5,158	4,607	5,913	6,685	6,823	6,968
Operating grants and contributions:							
Public Transportation	31,093	24,287	35,715	14,141	56,400	55,771	72,458
Other	197	-	-	-	-	-	-
Capital grants and contributions:							
Airport	1,230	469	1,305	6,352	21,248	2,533	11,513
Public Transportation	36,441	40,951	73,557	73,230	12,780	11,431	28,474
Solid Waste	500	929	537	529	988	690	857
Water Quality	13,915	11,438	15,942	3,264	2,242	1,164	2,311
Other	-	-	40	612	108	28	-
Total business-type activities program revenues	<u>503,858</u>	<u>500,604</u>	<u>569,544</u>	<u>562,472</u>	<u>593,931</u>	<u>610,408</u>	<u>696,702</u>
Total primary government program revenues	<u>\$ 1,205,063</u>	<u>\$ 1,235,786</u>	<u>\$ 1,300,175</u>	<u>\$ 1,368,152</u>	<u>\$ 1,366,834</u>	<u>\$ 1,412,696</u>	<u>\$ 1,502,509</u>
Net (Expenses)/Revenue							
Governmental activities	\$ (409,208)	\$ (417,379)	\$ (622,521)	\$ (424,169)	\$ (524,944)	\$ (588,451)	\$ (762,231)
Business-type activities	<u>(262,213)</u>	<u>(271,830)</u>	<u>(257,569)</u>	<u>(312,427)</u>	<u>(309,242)</u>	<u>(359,531)</u>	<u>(356,589)</u>
Total primary government net expenses	<u>\$ (671,421)</u>	<u>\$ (689,209)</u>	<u>\$ (880,090)</u>	<u>\$ (736,596)</u>	<u>\$ (834,186)</u>	<u>\$ (947,982)</u>	<u>\$ (1,118,820)</u>
General revenues and Other Changes in Net Assets							
Governmental activities:							
Property taxes	\$ 390,706	\$ 394,903	\$ 433,593	\$ 447,041	\$ 468,740	\$ 499,339	\$ 599,583
Retail sales and use taxes	120,940	121,217	128,610	138,572	150,111	164,804	193,827
Business and other taxes	34,651	42,493	50,165	52,716	56,801	53,745	41,557
Penalties and interest - delinquent taxes	15,194	17,064	16,790	14,901	15,322	15,611	15,740
Interest earnings	30,111	20,227	18,395	28,352	46,009	36,348	34,897
Transfers	(862)	2,509	486	992	(2,531)	1,200	2,858
Total governmental activities	<u>590,740</u>	<u>598,413</u>	<u>648,039</u>	<u>682,574</u>	<u>734,452</u>	<u>771,047</u>	<u>888,462</u>
Business-type activities:							
Retail sales and use taxes	297,330	296,748	314,192	341,149	367,264	442,042	432,934
Interest earnings	26,278	10,875	9,737	16,397	28,833	22,718	22,850
Transfers	862	(2,509)	(486)	(992)	2,531	(1,200)	(2,858)
Total business-type activities	<u>324,470</u>	<u>305,114</u>	<u>323,443</u>	<u>356,554</u>	<u>398,628</u>	<u>463,560</u>	<u>452,926</u>
Total primary government	<u>\$ 915,210</u>	<u>\$ 903,527</u>	<u>\$ 971,482</u>	<u>\$ 1,039,128</u>	<u>\$ 1,133,080</u>	<u>\$ 1,234,607</u>	<u>\$ 1,341,388</u>
Change in Net Assets							
Governmental activities	\$ 181,532	\$ 181,034	\$ 25,518	\$ 258,405	\$ 209,508	\$ 182,596	\$ 126,231
Business-type activities	62,257	33,284	65,874	44,127	89,386	104,029	96,337
Total Primary government	<u>\$ 243,789</u>	<u>\$ 214,318</u>	<u>\$ 91,392</u>	<u>\$ 302,532</u>	<u>\$ 298,894</u>	<u>\$ 286,625</u>	<u>\$ 222,568</u>

KING COUNTY, WASHINGTON
NET ASSETS BY COMPONENT
LAST SEVEN FISCAL YEARS
 (ACCRUAL BASIS OF ACCOUNTING)
 (IN THOUSANDS)

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
Governmental activities							
Invested in capital assets, net of related debt	\$ 1,156,826	\$ 1,316,216	\$ 1,448,891	\$ 1,525,984	\$ 1,642,456	\$ 1,762,158	\$ 1,805,977
Restricted	297,057	263,818	261,656	289,894	338,188	394,932	454,219
Unrestricted	(415,608)	(360,725)	(465,720)	(408,832)	(364,090)	(357,940)	(334,815)
Total governmental activities net assets	<u>\$ 1,038,275</u>	<u>\$ 1,219,309</u>	<u>\$ 1,244,827</u>	<u>\$ 1,407,046</u>	<u>\$ 1,616,554</u>	<u>\$ 1,799,150</u>	<u>\$ 1,925,381</u>
Business-type activities							
Invested in capital assets, net of related debt	\$ 1,244,183	\$ 1,357,467	\$ 1,516,280	\$ 1,524,744	\$ 1,566,302	\$ 1,551,017	\$ 1,764,400
Restricted	407,709	360,660	283,104	311,665	329,262	419,118	436,969
Unrestricted	135,491	102,540	87,157	94,259	124,490	153,948	14,511
Total business-type activities net assets	<u>\$ 1,787,383</u>	<u>\$ 1,820,667</u>	<u>\$ 1,886,541</u>	<u>\$ 1,930,668</u>	<u>\$ 2,020,054</u>	<u>\$ 2,124,083</u>	<u>\$ 2,215,880</u>
Primary government							
Invested in capital assets, net of related debt	\$ 2,401,009	\$ 2,673,683	\$ 2,965,171	\$ 3,050,728	\$ 3,208,758	\$ 3,313,175	\$ 3,570,377
Restricted	704,766	624,478	544,760	601,559	667,450	814,050	891,188
Unrestricted	(280,117)	(258,185)	(378,563)	(314,573)	(239,600)	(203,992)	(320,304)
Total primary government net assets	<u>\$ 2,825,658</u>	<u>\$ 3,039,976</u>	<u>\$ 3,131,368</u>	<u>\$ 3,337,714</u>	<u>\$ 3,636,608</u>	<u>\$ 3,923,233</u>	<u>\$ 4,141,261</u>

Accrual-basis financial information for the County is available back to 2002 only, the year GASB Statement 34 was implemented.

KING COUNTY, WASHINGTON
FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
(IN THOUSANDS)

	<u>1999</u>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
General Fund										
Reserved	\$ 6,531	\$ 11,561	\$ 12,558	\$ 9,282	\$ 8,502	\$ 7,815	\$ 18,693	\$ 24,219	\$ 27,346	\$ 16,064
Unreserved										
Designated	17,906	25,725	23,403	21,601	19,826	21,422	28,681	23,230	23,319	7,396
Undesignated	36,068	43,071	46,782	60,247	67,920	93,721	96,617	96,315	89,983	73,765
Total General Fund	<u>\$ 60,505</u>	<u>\$ 80,357</u>	<u>\$ 82,743</u>	<u>\$ 91,130</u>	<u>\$ 96,248</u>	<u>\$ 122,958</u>	<u>\$ 143,991</u>	<u>\$ 143,764</u>	<u>\$ 140,648</u>	<u>\$ 97,225</u>
All Other Governmental Funds										
Reserved	\$ 79,080	\$ 87,451	\$ 81,076	\$ 137,465	\$ 121,678	\$ 110,956	\$ 103,513	\$ 108,317	\$ 101,045	\$ 93,564
Unreserved										
Designated										
Special revenue funds	11,707	16,218	17,112	16,594	7,584	15,949	25,141	26,951	37,129	43,682
Debt service funds	-	108	283	246	176	-	-	-	-	-
Capital project funds	-	824	2,233	2,353	-	-	-	-	-	-
Undesignated										
Special revenue funds	51,027	42,893	41,172	60,499	70,325	73,948	58,618	67,268	84,541	154,680
Debt service funds	24,104	19,799	21,914	26,915	22,234	34,029	28,635	30,413	27,666	32,762
Capital project funds	138,199	98,943	89,283	30,988	14,205	49,758	57,069	43,678	80,946	94,692
Total all other governmental funds	<u>\$ 304,117</u>	<u>\$ 266,236</u>	<u>\$ 253,073</u>	<u>\$ 275,060</u>	<u>\$ 236,202</u>	<u>\$ 284,640</u>	<u>\$ 272,976</u>	<u>\$ 276,627</u>	<u>\$ 331,327</u>	<u>\$ 419,380</u>

Note: On January 1, 2005, the Criminal Justice Fund, a special revenue fund, was closed and the fund balance was transferred to the General Fund. In 1999 through 2004, the fund balance of the Criminal Justice Fund is reported under All Other Governmental Funds.

KING COUNTY, WASHINGTON
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
(IN THOUSANDS)

	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Revenues										
Taxes	\$ 500,675	\$ 525,195	\$ 539,743	\$ 561,039	\$ 575,590	\$ 630,440	\$ 653,194	\$ 690,873	\$ 733,432	\$ 849,416
Licenses and permits	18,979	13,506	19,272	17,322	20,900	25,920	22,477	24,654	30,865	23,484
Intergovernmental revenues	342,105	346,911	377,610	391,915	390,702	418,362	417,407	442,094	453,577	493,682
Charges for services	188,268	201,351	223,375	212,229	251,464	216,636	222,708	223,306	243,905	231,000
Fines and forfeits	6,958	8,044	7,086	8,016	8,145	7,350	6,362	8,084	9,616	9,536
Interest earnings	24,939	37,045	32,982	25,251	17,106	15,845	24,274	38,072	29,065	27,977
Miscellaneous revenues	28,940	32,384	34,868	42,963	35,011	42,289	46,189	51,081	57,504	56,071
Total revenues	<u>1,110,864</u>	<u>1,164,436</u>	<u>1,234,936</u>	<u>1,258,735</u>	<u>1,298,918</u>	<u>1,356,842</u>	<u>1,392,611</u>	<u>1,478,164</u>	<u>1,557,964</u>	<u>1,691,166</u>
Expenditures										
General government services	76,791	90,074	106,464	98,319	120,059	118,763	137,416	141,318	157,751	147,633
Law, safety and justice	354,773	367,913	398,976	420,352	440,151	423,737	429,541	467,053	496,376	534,238
Physical environment	40,384	39,686	39,999	51,236	50,947	55,760	51,408	56,601	63,924	91,301
Transportation	47,162	49,868	52,154	61,535	59,957	66,937	88,473	95,758	106,396	116,322
Economic environment	66,058	64,073	71,349	72,185	78,408	75,940	87,080	91,955	94,187	99,465
Mental and physical health	266,742	275,677	299,069	313,119	318,161	501,582	344,036	361,334	381,817	420,053
Culture and recreation	29,382	32,343	34,176	30,341	33,596	36,974	34,744	38,981	47,512	53,194
Debt service										
Redemption of long-term debt	52,408	51,482	57,586	57,900	65,150	65,252	78,160	80,192	87,195	79,071
Interest and other debt service costs	59,603	79,168	66,342	61,752	53,761	67,072	55,805	65,050	54,475	55,710
Capital outlay	222,150	144,802	145,697	110,476	150,708	201,397	83,936	86,746	74,135	105,673
Total expenditures	<u>1,215,453</u>	<u>1,195,086</u>	<u>1,271,812</u>	<u>1,277,215</u>	<u>1,370,898</u>	<u>1,613,414</u>	<u>1,390,599</u>	<u>1,484,988</u>	<u>1,563,768</u>	<u>1,702,660</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(104,589)</u>	<u>(30,650)</u>	<u>(36,876)</u>	<u>(18,480)</u>	<u>(71,980)</u>	<u>(256,572)</u>	<u>2,012</u>	<u>(6,824)</u>	<u>(5,804)</u>	<u>(11,494)</u>
Other Financing Sources (Uses)										
Transfers in	113,284	91,069	103,991	117,563	158,856	154,901	146,014	169,156	178,186	218,146
Transfers out	(113,317)	(87,686)	(104,012)	(114,884)	(154,547)	(153,989)	(144,458)	(166,282)	(175,063)	(213,003)
General obligation bonds issued	56,654	35	24,494	40,282	37,838	246,435	2,134	4,716	48,395	48,755
Premium on bonds sold	-	-	-	-	-	17,807	2,112	1,633	3,890	170
Refunding bonds issued	-	123,981	-	133,510	138,124	102,315	22,510	38,330	54,565	-
General long-term debt - capital leases	78,405	6,441	186	146	48	62,805	184	-	-	-
Sale of capital assets	3,383	618	2,171	1,789	4,407	5,504	4,307	2,274	4,548	2,080
Payment to refunded bond escrow agent	-	(123,981)	-	(132,798)	(137,377)	(107,317)	(24,360)	(39,579)	(57,133)	-
Total other financing sources (uses)	<u>138,409</u>	<u>10,477</u>	<u>26,830</u>	<u>45,608</u>	<u>47,349</u>	<u>328,461</u>	<u>8,443</u>	<u>10,248</u>	<u>57,388</u>	<u>56,148</u>
Net change in fund balances	<u>\$ 33,820</u>	<u>\$ (20,173)</u>	<u>\$ (10,046)</u>	<u>\$ 27,128</u>	<u>\$ (24,631)</u>	<u>\$ 71,889</u>	<u>\$ 10,455</u>	<u>\$ 3,424</u>	<u>\$ 51,584</u>	<u>\$ 44,654</u>
Debt service as a percentage of noncapital expenditures	11.28%	12.44%	11.00%	10.26%	9.75%	9.37%	10.25%	10.39%	9.51%	8.44%

Note:

In 2007 and 2008, four Washington state nonprofit corporations each of which are single-purpose entities that were created to assist the County in the development and construction of public buildings have been recognized as a single blended component unit of the County in accordance with GASB Statement 14 criteria. A single internal service fund is used to blend the four nonprofit corporations' activities and balances with the primary government. The Changes in Fund Balances, Governmental Funds Debt Service Expenditures for 2006 have been restated for activity now accounted for in an internal service fund.