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Readers' Guide to the King County Budget Book

This document describes how King County's government plans to meet the communities' needs. King County's budget book is not only an assembly of information required for making policy and resource decisions; it is also a resource for citizens interested in learning about the operation of their County government.

This readers' guide has been provided to inform the reader where particular information may be found. King County's budget book is divided into sections: Budget Overview, Background, Policy Priorities, Local Services for Unincorporated King County, Economic and Revenue Forecast, Program Plans with General Government, Law, Safety and Justice, Physical Environment and Appendix of summary tables as well as a separate appendix with detail Capital Appropriation Proposals for capital projects. Each major section is outlined below.

Full biennial budget – The county has been transitioning to a full biennial budget for the last 10 years. The 2015/2016 biennial budget is the first full biennial budget for all county agencies. All county budgets are included and in 2015 a mid biennial budget review will be conducted to determine whether mid biennium adjustments are needed. All budgets in this budget book are prepared on a biennial basis and readers should understand that compared with prior county budgets that were prepared on an annual basis, the total budget numbers will in most cases be approximately twice as much compared to the annual basis.

Budget Overview

The budget overview section describes the fiscal environment in which the Proposed Budget was developed; how the budget addresses major Executive priorities, including the King County Strategic Plan, the efficiencies strategy, the Energy Initiative, and the Equity and Social Justice Initiative; and budget planning assumptions. Also included in this section are charts and tables summarizing King County's expenditures, revenues and FTEs for prior and current years.

Background

The background section presents a reader's guide to the budget book, biennial budgets and detail sheets, a general description of King County government. It also presents an organizational chart of County government, list of elected officials, Boards and Commissions and statistical and demographic information about the county.

Economic and Revenue Forecast

This section analyzes the impact of economic factors on the budget and the government's ability to deliver services. Projections for 2015/2016 and outyears are based on historical trends, analysis and modeling by the County's Office of Economic and Financial Analysis and staff from the Office of Performance, Strategy and Budget. This section includes the General Fund Forecast which provides a two-year projection of revenues and expenditures. Also included are details that impact the proposed 2015/2016 policy choices and project the fiscal impact through 2017/2018.

Strategic Plan Discussion

The presentation of Proposed Budget is structured around the functional Program Areas of the King County. These sections are a chapter of the book and also provide the details of the 2015/2016 Proposed Budget.

Law Safety and Justice

This section presents the financial information for the Law, Safety and Justice Agencies. Included in this section are Sheriff, Adult and Juvenile Detention, Jail Health Services, District Court, Department of Judicial Administration, Public Defense, Prosecuting Attorney, Superior Court and Emergency Management.

Health and Human Services

This section presents the financial details for the county's Department of Community and Human Services and the Department of Public Health.

Physical Environment

The section provides the Physical Environment appropriations units and includes financial details. Appropriation units in this section include: Natural Resources and Parks, Transportation, Department of Permitting and Environmental Review, significant CIP projects by agency and related debt service funds.

General Government

This section displays the appropriation units grouped by this functional area and includes financial details. Appropriation units in this section include Legislative Agencies, County Executive, Assessments, Elections, Department of Executive Services, Finance and Business Operations Division, Business Resource Center, Independent Agencies, and Administrative Agencies, Transfers, significant CIP projects by agency and related debt service funds. These agencies comprise our internal support functions with annual budgets for 2015/2016.

Capital Improvement Program (CIP)

This section provides summarizes the capital project budget proposals for King County. Additional information is available in the Capital Improvement Program appendix.

Appendix

This section provides summarized information about the total 2015/2016 King County budget for revenues, expenditures and full time equivalent (FTE) staffing.

Capital Improvement Program (CIP) Projects Appendix

The Appendix is a separate document from this budget book and limited numbers are printed. The detail on CIP projects can be found in the PIC system database and online at the PSB Web Page: <http://www.kingcounty.gov/exec/PSB.aspx>. The contents of the CIP Appendix include the Funds Summary Attachment A which shows all 2015/2016 CIP budget requests by project and fund as well a Capital Appropriation Proposal (CAP) forms.

Reader's Guide to Understanding Biennial Budgets

Since 1985, cities in the State of Washington have had the legal ability to adopt biennial (two year) budgets. In 1997, the Legislature gave counties the authority to adopt ordinances providing for biennial budgets with a mid-biennium review and modification for the second year of the biennium (RCW 36.40.250). At the November 2003 general election, the voters of King County approved Proposition 1, amending Article 4 of the King County Charter, authorizing the County Council to adopt an ordinance establishing biennial budgeting.

Ordinance 15545 authorized biennial budgeting and Motion 12465 identified Transit as the agency selected for a pilot study for the 2008/2009 biennium. Motion 12941 extended the biennial budget process to all of the Department of Transportation (DOT) for the 2010/2011 biennium. Motion 13431 extended the biennial budget process to the Department of Development and Environmental Services (DDES) for the 2012/2013 biennium. The motion also directed all funds, excluding the General Fund and a few others, to develop a 2013/2014 biennial budget and all King County funds, including the General Fund, to develop biennial budgets for 2015/2016 and future biennia. Note that this last motion changed the period for biennial budgets to start with odd-numbered years. The 2015/2016 proposed budget is the first time that all King County budgets are biennial and the guidance provided in Motion 13431 is now complete.

Biennial budgeting is thought to have several advantages over annual budgeting, including decreased staff time to prepare the budget, an enhanced long-range planning effort during the second year, and the ability to improve program evaluation and policy analysis in the off year. King County's experience during the 2013/2014 biennium has confirmed these perceptions.

In preparing a biennial budget, local governments typically employ three variations. The first variation involves a jurisdiction adopting a budget for the first year of the biennium and endorsing a budget (providing preliminary approval) for the second year, as happens in the City of Seattle. A second variation of the biennial budget is a two-year spending plan comprised of two one-year appropriations that are adjusted annually. In the third variation, jurisdictions adopt a full twenty-four month budget and provide for a mid-biennium review and modification for the second year of the budget. King County is implementing the third variation.

All agencies with biennial budgets will conducted a mid-biennial review process in 2015. This process will include updating revenue and expenditure assumptions and determining whether there are significant policies or financial issues that need to be addressed in a mid-biennial supplemental update. Past experience has indicated that the majority of agencies determined that they did not need a mid-biennial update.

Readers' Guide to the Detail Budget Pages

This section contains a glossary specific to the detail budget pages. The detail pages are interspersed with narrative about the agencies' budgets and show all of the changes made to arrive at the proposed budget. Below are definitions by order of appearance for the types of items listed in the detail pages.

Appropriation Unit

The name of each appropriation unit can be found at the top of the first page of the appropriation detail. An appropriation unit is the entity with legal authorization to incur obligations and to make expenditures for

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specific purposes, i.e., Board of Appeals, Cable Communications, District Court, and Roads Services Division are all appropriation units. The appropriation unit name includes the appropriation unit number for easy reference.

Decision Package

A decision package is a coherent programmatic, staffing, or technical change to the base budget. Decision packages are given a variety of codes to delineate the types of changes they include. The expenditure, revenue, FTE and TLT impacts of a decision package are shown here.

- **Adjustments to 2013/2014 Adopted Budget:** This category contains adjustments to the 2013/2014 Adopted Budget for removal of one time expenditures, annualization of partial year expenditures for 2013/2014 and updates major revenue accounts as forecast by the Office of Economic and Financial Analysis. These are incremental changes from the 2013/2014 Adopted Budget and are summarized in this total. Beginning in 2014, positions are budgeted at average salary level by salary plan and grade across the government. Averages were calculated on the actual 2014 salary data in April by PSB. Since this is a transitional year to full biennial budgeting for all county agencies the annual budget agencies from 2013 and 2014 have had their annual budgets added together to restate the 2013/2014 Adopted budget as if they were biennial budgets for comparative reporting purposes.
- **Direct Service Changes (DS):** Budget changes that affect the level, quantity or quality of direct services agencies provide to their customers should be coded as DS. Frequency of cleaning or maintenance, number of clinic visits or medical exams provided, and hours of operation are examples of direct service impacts. New revenues related to contracts/service levels, with associated expenditure changes, will also be coded DS. The DS change code would NOT include efficiency changes that do not change the level of direct service provided to customers.
- **Administrative Service Changes (AC):** Budget changes that reflect agency policy or operational changes and do NOT impact the quantity or quality of direct services to customers should be coded as Administrative Changes. This will include efficiencies, cost savings related to technology or space consolidations, changes in administrative workload, overhead changes, and equipment replacement requests, new revenues with no associated expenditure changes or new revenues with associated AC expenditure changes.
- **Central Rate Changes (CR):** These are budget adjustments to central rates. Central rates are what internal service fund agencies charge when they provide a service for another county agency. For example: flex(healthcare) benefits, information technology support, Prosecuting Attorney charges, and motor pool and insurance rate adjustments.
- **Technical Adjustments (TA):** These are budget adjustments covering a variety of miscellaneous actions, including the correction of errors in the base budget, the transfer of programs between organizational units, and net zero changes.

Program Highlights

The reductions, additions and technical adjustments listed on the detail page between the “Adjustments to 2013/2014 Adopted budget” and the 2015/2016 Proposed Budget is explained in the narrative pages that follow the detail sheets. Decision packages give County departments a means of changing their budgets from year to year, by listing items that need to be either reduced or increased. Department requested decision packages are then sent to the Office of Performance, Strategy and Budget (PSB) for review, and if approved by the County Executive are presented in the Proposed Budget for transmittal to the King County Council.

Proposed Budget

For all King County agencies, the Proposed Budget is the expenditure and FTE authority requested for the 2015/2016 biennial budget. The Proposed Budget is the combined expenditure authority for 2015 and 2016 and the maximum number of FTEs needed over the biennium. Each detail page contains a total for Ending Biennium FTE Count and a total for Executive Proposed Budget. The first total is the detailed calculated amounts for expenditures and revenues and the ending number of FTE and TLTs proposed over the biennium. The second total is the proposed budget ordinance amount for expenditures rounded to the next higher one thousand dollars and the maximum number of FTEs needed over the biennium. Although revenue and TLTs are not adopted in the budget ordinance, revenues are also rounded to the next higher one thousand and TLTs are the maximum number of TLTs needed over the biennium.

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2015/2016 EXECUTIVE PROPOSED BUDGET FOR FBOD (EN_A13800_Input)

Title	Appropriation 2015/2016	Estimated Revenues 2015/2016	Regular FTEs Dec 2016	TLTs Dec 2016
2013/2014 Adopted Budget	\$56,070,712	\$53,063,668	186.92	2.50
Adjustments to 2013/2014 Adopted Budget	2,967,568	3,114,746	(1.51)	-0.50
Administrative Service Changes				
AC_001 Re-classify and re-align staff	(363,820)	0	(1.00)	0.00
AC_002 Electronic Payment Expansion	109,552	0	0.00	0.00
AC_025 Cost Savings and Revenue Enhancements	(697,312)	588,619	0.00	0.00
AC_026 Additional P-Card revenues	0	50,000	0.00	0.00
Direct Service Changes				
DS_025 Resource Realignment to Support Activity Based Costing and Business Process Standardization	6,925	0	(4.00)	3.00
Technical Adjustments				
TA_011 COLA	15,798	0	0.00	0.00
TA_012 Merit	401,791	0	0.00	0.00
TA_013 Vacancy Rate Adjustment	(244,008)	0	0.00	0.00
Central Rates	(1,101,519)	0	0.00	0.00
Total Decision Package	(1,872,593)	638,619	(5.00)	3.00
Ending Biennium FTE Count	\$57,165,686	\$56,817,033	180.41	5.00
Executive Proposed Budget	\$57,166,000	\$56,818,000	180.41	5.00
Percent Change over 2013/2014 Adopted Budget	2.0%	7.1%	-3.5%	100.0%

FOOTNOTES:

1. The Executive Proposed Budget includes the maximum number of FTEs needed at any given point in the biennium. The ending number of FTEs is also shown to illustrate the impact of changes that occur mid-biennium. FTE values do not include temporary positions or overtime.

King County Government

Background

The county consists of 2,131 square miles, ranking 11th in geographical size among Washington State's 39 counties. The county ranks number one in population in the State of Washington and is the financial, economic and industrial center of the Pacific Northwest region. There are 39 incorporated cities within King County.

King County operates under a Home Rule Charter adopted by a vote of its citizens in 1968 and is organized under the Council-Executive form of county government. The Metropolitan King County Council is the policy-making legislative body of the County. The Council's nine members are elected by district to four-year staggered terms and serve on a full-time basis. The County Council sets tax levies, makes appropriations, and adopts and approves the annual operating and capital budgets for the County. Other elected County officials are elected at-large to four-year terms and include the Assessor, Director of Elections, County Executive, Prosecuting Attorney, Sheriff, and Superior and District Court Judges. The Prosecuting Attorney is a partisan position. All other elected County officials are non-partisan.

The County Executive serves as the chief executive officer for the County. The County Executive presents annual statements of the County's financial and governmental affairs, the proposed budget and capital improvement plans to the County Council. The County Executive signs, or causes to be signed on behalf of the County, all deeds, contracts, and other instruments, and appoints the director of each executive department.

King County provides some services on a countywide regional basis and some local services only to unincorporated areas. Within appropriate jurisdictions, the County provides public transportation, road construction and maintenance, wastewater treatment, flood control, agricultural services, parks and recreation facilities, law enforcement, criminal detention, rehabilitative services, court services, tax assessments and collections, land use planning and permitting, zoning, public healthcare, emergency medical services, election services, animal control, and the disposal of solid waste. In addition, the County has contracts with some cities to provide local services to incorporated areas of the county.

In 2014, the reporting entity "King County" consists of six component units: 1) Harborview Medical Center (HMC), 2) the Washington State Major League Baseball Stadium Public Facilities District (PFD), 3) the Cultural Development Authority of King County (CDA), 4) the Flood Control Zone Districts, 5) the King County Ferry District, and 6) the Building Development and Management Corporations. Most funds in this report pertain to the entity King County Government. Certain agency funds pertain to the County's custodianship of assets belonging to independent governments and special districts. (These funds are not shown in the budget books.) Under the County's Home Rule Charter, the King County Executive is the *ex officio* treasurer of all special districts of King County, other than cities and towns. Pursuant to County ordinance, the Director of the Finance and Business Operations Division (FBOD) is responsible for the duties of the comptroller and treasurer. Money received from or for the special districts is deposited in a central bank account. The Director of FBOD invests or disburses money pursuant to the instructions of the respective special districts.

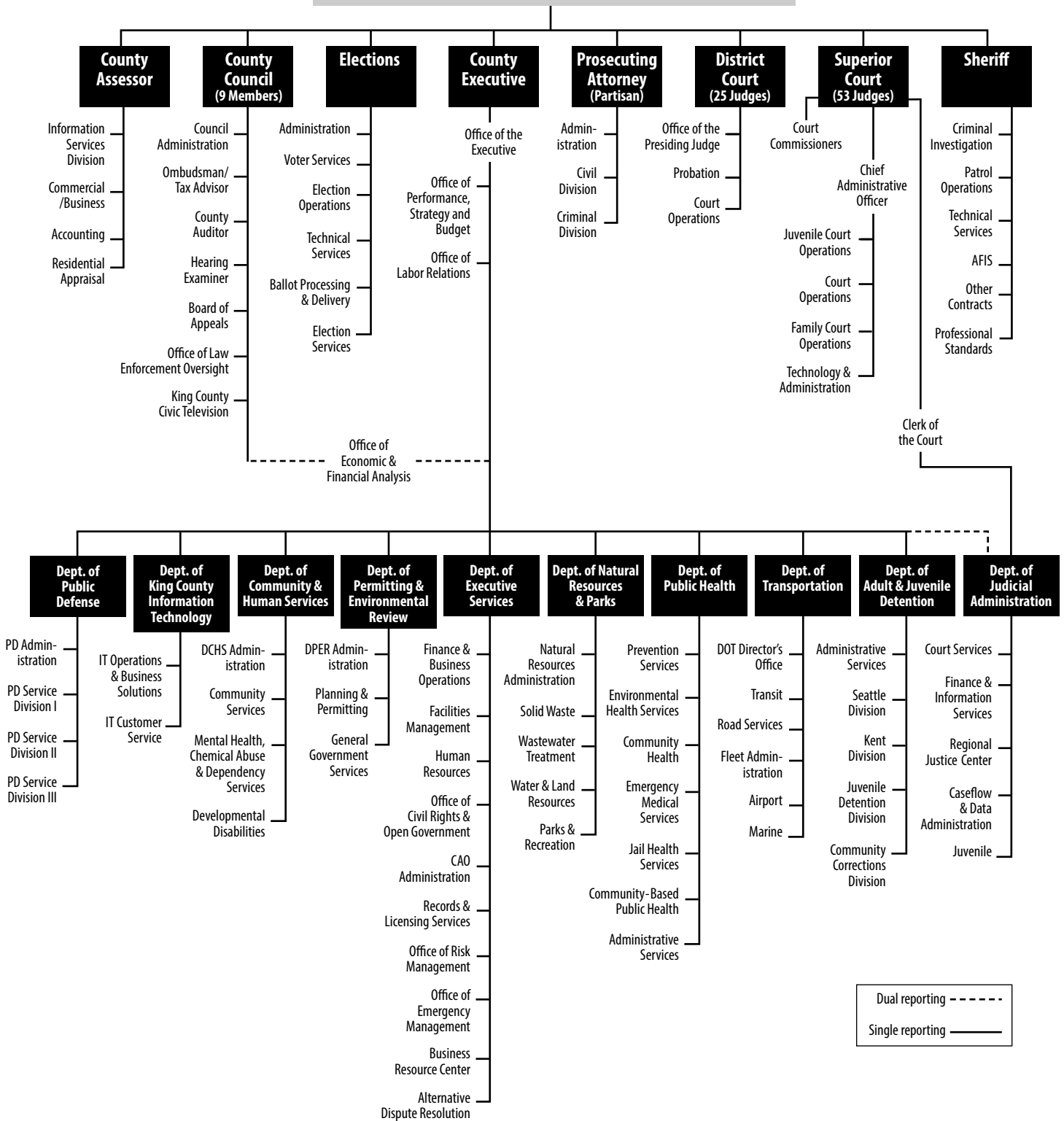
Organizational Chart

An appropriation unit is a legal entity authorized by the County Council to make expenditures and to incur obligations for specific purposes. Examples of appropriations units are Boundary Review Board, Prosecuting Attorney's Office, Public Health, and Solid Waste. At King County, biennial appropriation units are budgeted for 24 months, starting January 1 of each odd numbered year for the biennium.

Similar appropriation units are combined together to make up a division or a department. For example, the Department of Transportation (DOT) is made up of the following similar appropriation units: Transit, Road Services, Fleet Administration, Marine Division, King County International Airport and DOT Director's Office. The departments are headed by a director, who reports directly to the Assistant County Executive. Each director is a member of the Executive's Cabinet.

A budget program plan area is a grouping of County appropriation units (agencies) or departments with related functional service characteristics. Under each program plan area, individual agencies or departments participate in activities to support the King County Strategic Plan. The budget process distinguishes between five program plan areas: Law, Safety and Justice, Health and Human Services, Physical Environment, General Government and Capital Improvement Program. Debt Service and Capital Improvement are not shown on the County organizational chart.

The Electorate of King County



2015/2016 King County Organization

Elected Officials, Departments and Divisions

**ELECTED OFFICIALS OF
KING COUNTY**

KING COUNTY EXECUTIVE

Dow Constantine

METROPOLITAN KING COUNTY COUNCIL

Rod Dembowski, District 1
Larry Gossett, District 2
Kathy Lambert, District 3
Larry Phillips, District 4
Dave Upthegrove, District 5
Jane Hague, District 6
Pete von Reichbauer, District 7
Joe McDermott, District 8
Reagan Dunn, District 9

ASSESSOR

Lloyd Hara

DISTRICT COURT

Corinna Harn, Presiding Judge

ELECTIONS

Sherril Huff

PROSECUTING ATTORNEY

Daniel Satterberg

SHERIFF

John Urquhart

SUPERIOR COURT

Susan Craighead, Presiding Judge

King County Boards and Commissions

Boards and commissions are designed to give citizens a voice in their government and provide a means of influencing decisions that shape the quality of life we in the northwest enjoy. Whether your interests revolve around advocating for the developmentally disabled, transportation, or water quality, with 48 boards and commissions to choose from, King County has something for everyone.

Each board/commission has a staff member who acts as a liaison between the board/commission and the King County Executive's Office. The staff liaison is responsible for coordinating the group's recruitment and forwarding names to the King County Executive, who makes the final selection. The King County Council confirms the Executive's appointments. Following is a list of Boards and Commissions for King County.

Appeal Groups

Board of Appeals & Equalization
Fire Code Board of Appeals
Personnel Board

Management Groups

Alcoholism & Substance Abuse Administrative Board
Board of Health
Civic Television Citizens Advisory Committee
Civil Service Commission
Conservation Futures Citizen Oversight Committee
Cultural Development Authority (4Culture)
Deferred Compensation Board
Employee Giving Program Committee
Harborview Medical Center Board of Trustees
Seattle Transitional Grant Area HIV Planning Council
King County Housing Authority Board of Commissioners
King County Library System Board of Trustees
Landmarks Commission
Museum of Flight Authority Board of Directors
Noxious Weed Control Board
Rural Forest Commission
Washington State Boundary Review Board for King County
Washington State Convention Center Public Facilities District Board of Directors
Washington State Major League Baseball Stadium Public Facilities District Board of Directors

Advisory Groups

Agriculture Commission
Brightwater Air Quality Board
Citizen's Elections Oversight Committee
Civil Rights Commission
Board for Developmental Disabilities
EEO/AA Advisory Committee
Emergency Medical Services Advisory Task Force
Board of Ethics
Ferry Advisory Committee –Fauntleroy
Ferry Advisory Committee - Seattle
Investment Pool Advisory Committee
King County International Airport Roundtable
Mental Health Advisory Board
Mental Illness and Drug Dependency Oversight Committee
Office of Law Enforcement Oversight Citizens Committee on Independent Oversight
Parks Levy Citizen Oversight Board
Patterson Creek Basin Citizens Advisory Committee
Regional Communications Board
Regional Human Services Citizen Oversight Board
Seattle-King County Advisory Council on Aging and Disability Services
Solid Waste Advisory Committee
Transportation Concurrency Expert Review Panel
Vashon-Maury Island Groundwater Protection Committee
Veterans' Advisory Board
Veterans Citizen Oversight Board
Women's Advisory Board
Seattle/King County Taxicab Advisory Commission
Emergency Management Advisory Committee
Transit Advisory Commission

King County at a Glance

Updated September 2014

Population Statistics:

Population Statistics As of April 1, 2012				
	King County Cities	Unincorporated King County		King County Population
1990	993,495	513,824		1,507,319
2000	1,384,270	352,764		1,737,034
2003	1,427,457	351,843		1,779,300
2004	1,431,505	356,795		1,788,300
2005	1,443,800	364,500		1,808,300
2006	1,468,230	367,070		1,835,300
2007	1,493,045	368,255		1,861,300
2008	1,543,050	341,150		1,884,200
2009	1,566,120	343,180		1,909,300
2010	1,606,247	325,002	Census	1,931,249
2011	1,657,335	285,265	Estimated	1,942,600
2012	1,701,280	255,720	Estimated	1,957,000
2013	1,728,800	253,100	Estimated	1,981,900
2014	1,765,200	252,050	Estimated	2,017,250

Land Area and Population Density, 2014:

2,134 square miles total land area
 1,721 square miles unincorporated area
 413 square miles in 39 cities

Population density per square mile: 945.
 Unincorporated population density per square mile: 146
 Incorporated population density per square mile 4,274

<i>Fifteen Largest Employers</i>			2013
The Boeing Co.	City of Seattle	Amazon	
Microsoft Corp.	Swedish Health Services	Nordstrom	
King County (government)	Group Health Cooperative	Safeway Stores	
U S Postal Service	Starbucks Corporation	Costco	
University of Washington	Seattle School District #1	Alaska Air Group	

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Average Annual Employment and Annual Wages of Covered Employees, 2012					
	Total Employees	Percent of Employees	Annual Wages Paid (\$ in 000's)	Percent of Wages	Average (rounded)
Health, Educ and Other Services	213,347	18.3%	\$9,383,768	12.3%	\$43,984
Prof. & Admin. Services	189,949	16.3%	\$15,161,236	19.8%	\$79,817
Government	156,204	13.4%	\$9,404,554	12.3%	\$60,207
Retail Trade	112,385	9.7%	\$4,626,564	6.0%	\$41,167
Manufacturing	102,536	8.8%	\$8,106,257	10.6%	\$79,058
Accommodation & Food Svc (hote	91,728	7.9%	\$2,017,463	2.6%	\$21,994
Information	80,889	7.0%	\$12,457,135	16.3%	\$154,003
Finance, Insurance, Real Estate	63,311	5.4%	\$5,102,150	6.7%	\$80,589
Wholesale Trade	58,610	5.0%	\$4,614,377	6.0%	\$78,730
Construction	48,425	4.2%	\$2,963,747	3.9%	\$61,203
Transportation & Warehousing	41,674	3.6%	\$2,388,889	3.1%	\$57,323
Other	4,156	0.4%	\$344,248	0.4%	\$82,832
TOTAL	1,163,214	100%	\$76,570,388	100%	\$65,827
Source: WA state Employment Security Dept, 2014					

Highest Elevation Point: Mount Daniel 7,986 Feet

Lowest Elevation Point: Sea Level

Lakes: 760 lakes and reservoirs in King County.

Parks: 650 parks and recreation areas.

Precipitation* (inches) 1964-1993 Average

Month	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec
Mean	5.63	4.19	3.7	2.54	1.68	1.51	0.77	1.07	1.88	3.51	5.79	5.82

Temperature* (degrees Fahrenheit) 1964-1993 Average

Month	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	Oct	Nov	Dec
Mean	39.3	42.7	44.9	49.0	55.3	60.3	64.6	64.6	60.0	52.3	44.7	40.5
Max	44.3	48.8	52.0	57.2	64.4	69.5	75.0	74.6	69.1	59.4	50.2	45.3
Min	34.2	36.5	37.7	40.8	46.2	51.1	54.2	54.5	50.9	45.1	39.2	35.7

*Data above are from Local Climatological Data Annual Summary with Comparative Data 1993 for the Seattle / Tacoma International Airport

Licensed Drivers: 1,583,900 in 2012

Licensed Vehicles: 1,671,700 in 2012

Number of Institutions of Higher Learning:

Number of Major Four-Year Colleges and Universities, Public and Independent: 7

Number of Public Community and Technical Colleges: 10

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Hispanic Origin and Non-Hispanic Population by Racial Category							
Year	Total	Non-Hisp. White	Black	American Indian	Asian + Pacific	Other + Multi-Race	Hispanic / Latino
1990	1,507,319	1,256,345	74,851	15,964	115,822	N/A	44,337
2000	1,737,034	1,284,433	95,069	14,474	198,939	48,877	95,242
2010 Cen.	1,931,249	1,251,300	116,326	12,931	294,097	84,217	172,378

*Persons of Hispanic Origin may be of any race.

County Population by Selected Age Category as of April 1, 2010			
Age	Population	Age	Population
0-4	120,294	35-54	587,922
5-9	113,295	55-64	228,217
10-14	110,789	65-74	112,747
15-19	117,514	Over 75	97,932
20-34	442,539		1,931,249
		Total	

Sources: US Census Bureau (2010 US Census); Washington State Office of Financial Management; Washington State Employment Security Department; King County Office of Performance, Strategy and Budget; Vehicles include cars, trucks, RVs.