
BACKGROUND

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 more 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 ten sections: Budget Overview, Background, Economic and Revenue Forecast, five Strategic Plan Area Budget Discussions (see below), the Capital Budget, Debt Service, and a brief appendix of summary tables. Each major section is outlined below.

Budget Overview

The budget overview section of the budget book provides a policy section describing the major issues and decisions faced by King County and the choices that were made during the proposed budget development process. Also included in this section is the budget planning assumptions used to implement these policies, as well as charts and tables summarizing King County's expenditures, revenues and FTEs for prior and current years.

Background

The background section has a general description of King County government, presents an organizational chart of County government, describes the budget process and concludes with a glossary of words and terms used in this book.

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 2012 and outyears are based on historical trends, analysis and modeling by OMB economists, public sector economists, and by surveying national economic trends. 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 2012 policy choices and project the fiscal impact through 2013.

Strategic Plan Discussion

The presentation of Proposed Budget is structured around the Goals of the King County Strategic Plan (KCSP). The KCSP embodies the priorities of the residents of King County and the values of all of the branches of King County government. This section presents the appropriation units grouped by goal areas and county department. The King County Strategic Plan includes two types of goals: (1) "what" goals that articulate the results King County strives to provide to the public, and (2) "how" goals that articulate the methods by which King County intends to improve its provision of services. Both are essential to the successful delivery of products and services to King County's customers.

The "What We Deliver" goal area comprises the following strategic plan sections: Justice and Safety, Health and Human Potential, Economic Growth and Built Environment, and Environmental Sustainability. The "How We Deliver" goal area comprises the following strategic plan sections: Service Excellence, Financial Stewardship, Public Engagement, and Quality Workforce, and is condensed under one umbrella term of "How We Deliver". The overall county approach to implementation of the goals is reviewed at the beginning of each goal area. How individual appropriation units or lines of business are aligned with and beginning to implement the strategies and objectives of the KCSP is outlined in the individual agency narratives. These sections also provide summaries of the 2012 proposed budget.

BACKGROUND

Justice and Safety

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

Health and Human Potential

This section provides the financial details of the Department of Community and Human Services and the Department of Public Health.

Economic Growth and Built Environment (EGBE)

This section presents the EGBE appropriations units and includes financial details. Appropriation units in this section include: Work Training Program, Federal Housing and Community Development, Development and Environmental Services, Transportation, Independent Agencies and a portion of Natural Resources and Parks.

Environmental Sustainability (ES)

This section presents the ES appropriation units which are all part of the Department of Natural Resources (DNRP) and include DNRP Administration, Solid Waste, Water and Land Resources, and Wastewater Treatment.

How We Deliver

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, King County Information Technology (KCIT), Fleet, Independent Agencies, and Administrative Agencies and Transfers. These agencies comprise our internal support functions.

Capital Projects

This section summarizes the capital projects budget proposals for King County. Additional information is available in a separate Capital Improvement Program (CIP) Budget Book.

Debt Service

This section provides a discussion and details of King County's bond indebtedness and the debt service required to repay King County's debt obligations.

Appendix

This section provides a two-page fact sheet about the county as well as various summary tables of expenditures, revenues, and employees.

Reader's Guide to Understanding The Biennial Budget for the Department of Transportation (DOT) and Department of Development and Environmental Services (DDES)

Since 1985, cities in the State of Washington have had the legal ability to adopt biennial budgets and 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 King County Charter, authorizing the County Council to adopt an ordinance establishing biennial budgeting.

Ordinance 15545 authorizes biennial budgeting and Motion 12465 identifies Transit as the agency selected for a pilot study for the 2008/2009 biennium. Motion 12941 extends the biennial budget process to all of the Department of Transportation (DOT) for the 2010/2011 biennium. Motion 13431 extends the biennial budget process to the Department of Development and Environmental Services (DDES) for the 2012/2013 biennium. The motion also directs all funds, excluding the General Fund, 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 years.

The biennial pilot study was intended to determine the advantages and disadvantages over traditional annual budgeting. Generally, analysis of biennial budgeting is thought to have several advantages over annual budgeting, including, but not limited to, decreased staff time to prepare the budget, an enhanced long-range planning effort during the second year, and the ability to improve program evaluation in the off year.

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 it 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. The biennial budget King County is implementing is the third variation.

Biennial budgets for the 2012/2013 are being implemented for the following:

- A. All funds within the Department of Development and Environmental services
- B. All funds within the Department of Transportation

New biennial budgets will be developed for DDES and DOT in 2012 for the 2013/2014 biennium.

Readers' Guide to the Detail Sheets

This section contains a glossary specific to the detail pages. The detail pages are interspersed with narrative about the agencies' budgets that show the previous budget and all of the changes to that budget to arrive at the proposed budget. Here, one will find definitions by order of appearance for the types of items listed in the detailed appropriation unit pages.

Appropriation Unit: The name of each appropriation unit can be found at the top of the first page of the appropriation detail. It is the legal authorization to incur obligations and to make expenditures for specific purposes, i.e., Board of Appeals, Cable Communications, Public Health, and Roads are all appropriation

BACKGROUND

units. Along with the appropriation unit name is the fund number and appropriation unit number for easy reference.

Change Dynamic: All change items on the budget book pages are organized by change dynamic:

- **Adopted Budget:** These are expenditures appropriated by the Council for the year beginning January 1, 2011 and ending December 31, 2011, or for biennial budgets, 2010/2011. It does not include encumbrances, supplemental appropriations or technical changes to the 2011 budget. These items are either in the *Status Quo* or under *Technical Adjustment* change items.
- **Adjustments to the Adopted Budget:** This category contains revised 2011 adopted budget, (2010/2011 for biennial budgets), initial status quo and proposed status quo changes. These are incremental changes from the 2011 Adopted Budget and are summarized in one change item, SQ01. These changes are explained in each appropriation unit, with a general definition described below:
 - **Initial Status Quo (ISQ):** Initial Status Quo (ISQ) is the initial starting point for building the next year's budget. The ISQ level is the current year adopted level adjusted for budgeted changes for the first part of the year, across-the-board salary updates through the first part of the year, and the elimination of certain accounts not expected to be a part of the next year's budget. ISQ changes are generally done automatically based on gross across-the-board adjustments.
 - **Proposed Status Quo:** Proposed Status Quo (PSQ) is the adjusted ISQ budgeted level and represents the base budget for the next year. A variety of special adjustments are made to the ISQ level, including known salary and benefit updates, elimination of one-time programs, and the annualization of new programs in order to arrive at the "base" level of providing the same level of services in the current year at the inflated cost of the new year. PSQ changes are generally prepared only after significant analysis has been performed either by budget analysts or by agency personnel.
- **Direct Service Changes (DS):** Are changes to direct services costs as opposed to overhead costs.
- **Administrative Service Changes (AS):** Are changes to indirect overhead costs as opposed to direct services.
- **Efficiency Reductions (ER):** Providing more service with the same level of expenditure, or decreasing expenditures without decreasing service levels.
- **Technology Cost Savings (CS):** These are operating budget savings resulting from benefit realization of information technology efficiency projects. These projects are initially budgeted as capital projects during development and the resulting process efficiencies are captured as cost savings in operating budgets.
- **Annexations (AX):** When unincorporated areas of King County are annexed by cities, the provision of local services to these areas is no longer the responsibility of the county. This provides budget savings in all county agencies that serve these areas.
- **Program Changes (PC):** Neutral changes in the overall budget balance to shift budget amounts to areas of higher priority. These changes typically zero balance but sometimes they include the addition of higher expenditure levels. These are increases to the base budget that are mandated by new legislation, existing legal requirements, or county policy.
- **Revenue Backed Changes (RB):** These are revenue backed budget additions supported either in whole by new revenue.
- **Central Rate Changes (CR):** These are budget adjustments to central rates. Central rates are, for example: flex benefits, data processing infrastructure, Prosecuting Attorney charges, and motor pool and insurance rate adjustments. Although all other change items in the budget are incremental

BACKGROUND

changes from the “adjustments to the adopted budget” phase, central rates are total changes from adopted to proposed phases to show the overall change from year to year.

- **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 budgeting corrections related to employee benefits and central rates.

Program Highlights: The reductions, additions and technical adjustments listed on the detail page between the “Adjustment to the Adopted budget” and the 2012 Proposed Budget is explained in the narrative pages that follow the detail sheets. Change Items give County departments a means of changing their budgets from year to year, by listing out items that need to be either reduced or increased. Department requested change items are then sent to the Office of Performance, Strategy and Budget (PSB) for review, and if approved by PSB are presented in the Executive Proposed Budget for transmittal to the King County Council.

2012 Proposed Budget: This is the proposed budget for this appropriation unit.

BACKGROUND

**2012 Proposed Budget for
Appropriation Unit Name 1234/0555**

Code	Item	Description	Expenditures	FTEs *	TLTs
Adopted Budget					
AD01		2011 Adopted Budget	142,105,525	1,019.00	0.00
Adjustments to Adopted Budget					
SQ01		2011 Service Levels Adjusted for 2012 Costs	2,790,799	(10.00)	0.00
Direct Service Changes					
DS01		Close Tunnel Entrance to KCCH	(388,714)	(6.00)	0.00
DS02		MARR Unit Reductions	(128,807)	(1.00)	0.00
			(517,521)	(7.00)	0.00
Administrative Service Changes					
AS01		Administrative Overhead Reductions	(357,833)	(4.00)	0.00
AS02		Motorpool Reduction	(368,313)	0.00	0.00
			(726,146)	(4.00)	0.00
Efficiency Reductions					
ER01		Efficiency Reductions Due to Re-organization	(664,832)	(5.00)	0.00
ER15		Leadership Salary Freeze	(36,726)	0.00	0.00
			(701,558)	(5.00)	0.00
Technology Cost Savings					
CS01		Hand Held Ticketing Devices for STEP Unit	45,000	0.00	0.00
Annexations					
AX06		Panther Lake Annexations	(17,137)	(10.00)	0.00
Program Changes					
PC02		Integrate Courthouse Security	2,504,795	36.50	0.00
Revenue Backed Changes					
RB01		Sound Transit Contract Adds (\$614,599 Revenue)	462,132	4.00	0.00
RB02		Maple Valley Contract Adds (\$187,581 Revenue)	148,315	1.00	0.00
			610,447	5.00	0.00
Central Rate Changes					
CR01		Flexible Benefits	506,004	0.00	0.00
CR07		Technology Services Operations & Maintenance Charge	(2,843)	0.00	0.00
CR08		Technology Services Infrastructure Charge	(70,491)	0.00	0.00
CR09		Geographic Information Systems Charge	8,579	0.00	0.00
CR49		Weapons Screening	366,713	0.00	0.00
			807,962	0.00	0.00
Technical Adjustments					
TA01		LEOFF I Retiree Medical Increase	32,818	0.00	0.00
TA02		Overtime Adjustment	305,982	0.00	0.00
			338,800	(0.00)	0.00
2012 Proposed Budget			147,240,966	1,024.50	0.00

* FTEs do not include temporaries or overtime.

** Please see Budget Transparency Section table at the end of the program plan pages for section information as identified in the Budget.

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. Currently, there are 39 incorporated cities within King County.

King County operates under a Home Rule Charter adopted by a vote of the citizens of King County 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 include the County Executive, Prosecuting Attorney, Sheriff, Assessor, Director of Elections, and Superior and District Court Judges. The Prosecuting Attorney is a partisan position. All other elected county officials are non-partisan and are elected at large to four-year terms.

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 2012, 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.

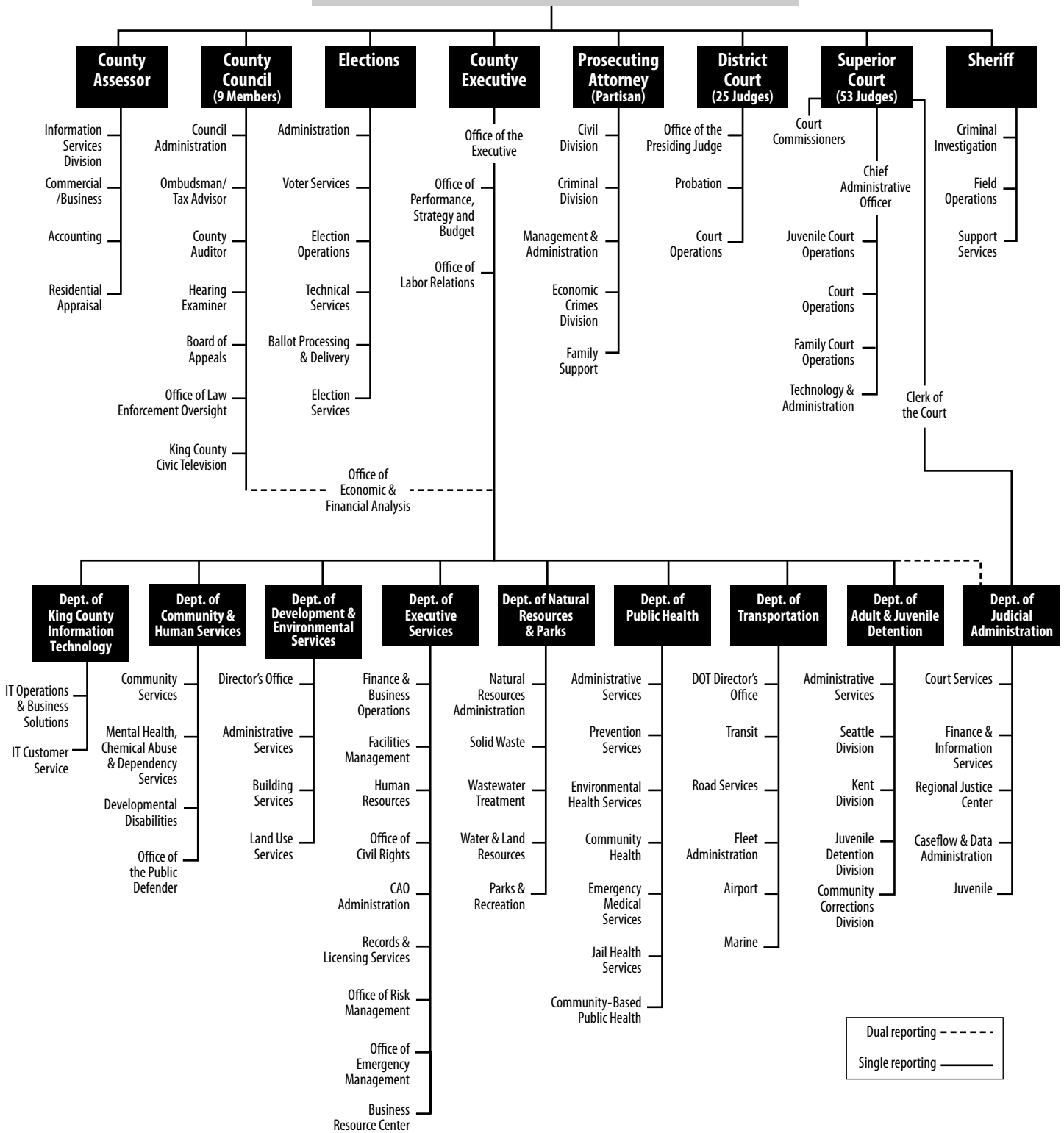
Organizational Chart

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, Office of the Prosecuting Attorney, Public Health, and Solid Waste. At King County, appropriation units are budgeted on a calendar year basis, unless specifically identified to be budgeted at two-year increments or biennial budgets. In 2012/2013, the Department of Transportation and Department of Development and Environmental Services were identified to be budgeted at two-year increments.

Similar appropriation units are combined together to make up a department. For example, the Department of Transportation is made up of the following similar appropriation units: Transit, Road Services, Fleet Administration, Marine Division, 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 strategic plan area is a grouping of county appropriation units (agencies) or departments with related countywide goals. Under each strategic plan area, individual agencies or departments participate in activities to support the strategic area goals. The budget process distinguishes between five strategic plan areas: Justice and Safety, Health and Human Potential, Economic Growth and Built Environment, Environmental Sustainability, How We Deliver. Debt Service and Capital Improvement are not shown on the county organizational chart.

The Electorate of King County



2012 King County Organization Elected Officials, Departments and Divisions

**ELECTED OFFICIALS OF
KING COUNTY**

KING COUNTY EXECUTIVE

Dow Constantine

METROPOLITAN KING COUNTY COUNCIL

Bob Ferguson, District 1
Larry Gossett, District 2
Kathy Lambert, District 3
Larry Phillips, District 4
Julia Patterson, District 5
Jane Hague, District 6
Pete von Reichbauer, District 7
Joe McDermott, District 8
Reagan Dunn, District 9

ASSESSOR

Lloyd Hara

DISTRICT COURT

Barbara Linde, Presiding Judge

ELECTIONS

Sherril Huff

PROSECUTING ATTORNEY

Daniel Satterberg

SHERIFF

Sue Rahr

SUPERIOR COURT

Richard McDermott, 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 enjoy in the northwest. Whether one's interests revolve around animal issues, recycling, transportation, or water quality, with 48 groups 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
Board of Water System Review
Fire Code Advisory and Appeals Board
Personnel Board
Plumbing Board of Appeals

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 Charitable Campaign Committee
Harborview Medical Center Board of Trustees
HIV/AIDS 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 Major League Baseball Stadium Public Facilities District

Advisory Groups

Agriculture Commission
Citizens' Elections Oversight Committee
Civil Rights Commission
Board for Developmental Disabilities
EEO/AA Advisory Committee
Board of Ethics
Ferry Advisory Committees – Seattle & Fauntleroy
Investment Pool Advisory Committee
King International Airport Roundtable
Mental Health Advisory Board
Mental Illness and Drug Dependency Oversight Committee
Parks Levy Oversight Board
Patterson Creek Citizen's Advisory Committee
Regional Communications Board
Regional Human Services Levy Oversight
Seattle-King County 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 Levy Oversight Board
Women's Advisory Board
Seattle/King County Taxicab Advisory Commission
Emergency Management Advisory Committee
Transit Advisory Commission

King County at a Glance

Population Statistics:

Population Statistics As of April 1, 2011			
	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
2001	1,404,721	353,579	1,758,300
2002	1,422,160	352,140	1,774,300
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

Land Area and Population Density, 2010:

2,134 square miles total land area
 1,729 square miles unincorporated area
 405 square miles in 39 cities

Population density per square mile: 905
 Unincorporated population density per square mile: 188
 Incorporated population density per square mile: 3,966

<i>Twelve Largest Employers</i>	2006
The Boeing Co.	City of Seattle
University of Washington	Swedish Health Services
Metro-King County government	Providence Health System
U S Postal Service	Starbucks Corporation
Microsoft Corp.	Seattle School District #1
Group Health Cooperative	Alaska Air Group

BACKGROUND

Average Annual Employment and Annual Wages of Covered Employees, 2009

	Total Employees	Percent of Employees	Annual Wages Paid (\$ in 000's)	Percent of Wages	Average (rounded)
Health, Educ and Other Services	199,092	17.6%	\$8,331,187	12.5%	\$41,846
Prof. & Admin. Services	173,890	15.4%	\$11,955,525	17.9%	\$68,753
Government	157,194	13.9%	\$8,864,519	13.3%	\$56,392
Retail Trade	105,096	9.3%	\$3,685,890	5.5%	\$35,072
Manufacturing	102,196	9.0%	\$7,400,720	11.1%	\$72,417
Accommodation & Food Svc (hotels...)	85,804	7.6%	\$1,731,197	2.6%	\$20,176
Information	79,679	7.0%	\$9,788,167	14.6%	\$122,845
Finance, Insurance, Real Estate	68,660	6.1%	\$5,100,753	7.6%	\$74,290
Wholesale Trade	58,766	5.2%	\$4,240,004	6.3%	\$72,151
Construction	54,835	4.8%	\$3,278,148	4.9%	\$59,782
Transportation & Warehousing	41,685	3.7%	\$2,190,458	3.3%	\$52,548
Other	4,170	0.4%	\$314,665	0.5%	\$75,459
TOTAL	1,131,067	100%	\$66,881,233	100%	\$59,131

Source: WA state Employment Security Dept, 2010

BACKGROUND

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: 1,482,716 in 2008
Licensed Vehicles: 1,705,451 in 2008

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

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 Management and Budget; vehicles include cars, trucks, RVs.