



KING COUNTY

1200 King County Courthouse
516 Third Avenue
Seattle, WA 98104

Signature Report

July 11, 2006

Ordinance 15545

Proposed No. 2004-0513.2

Sponsors Gossett, Hague, Constantine,
Irons, Edmonds and Phillips

1 AN ORDINANCE authorizing biennial budgeting;
2 amending Ordinance 12076, Section 2, as amended, and
3 K.C.C. 4.04.020 and Ordinance 12045, Section 23, as
4 amended, and K.C.C. 4.04.040 and adding a new section to
5 K.C.C. chapter 4.04.

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BE IT ORDAINED BY THE COUNCIL OF KING COUNTY:

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NEW SECTION. SECTION 1. There is hereby added to K.C.C. chapter 4.04 a

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new section to read as follows:

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In accordance with Section 405 of the King County Charter and in lieu of

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adopting an annual budget, the council shall adopt a biennial budget for such county

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funds as the council may determine. For these funds there shall be a midbiennium review

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and modification for the second year of the biennium. The council may adopt additional

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and emergency appropriations ordinances for any such fund or funds in the same manner

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and subject to the same conditions as otherwise provided in the charter.

17 SECTION 2. Ordinance 12076, Section 2, as amended, and K.C.C. 4.04.020 are
18 each hereby amended to read as follows:

19 The definitions in this section apply throughout this chapter unless the context
20 clearly requires otherwise.

21 A. "Acquisition of right of way" or "land acquisition" means funds budgeted for
22 the purchase of property rights, excluding county force charges of the facilities
23 management division.

24 B. "Adopted" means approval by council motion or ordinance.

25 C. "Agency" means ~~((every))~~ a county office, ~~((every))~~ officer, ~~((every))~~
26 institution~~((s))~~ whether educational, correctional or other, ~~((and every))~~ department,
27 division, board ~~((and))~~ or commission, except as otherwise provided in this chapter.

28 D. "Allocation" means a part of a lump sum appropriation that is designated for
29 expenditure by either a specific organization unit or for specific purposes, or both.

30 E. "Allotment" means a part of an appropriation that may be encumbered or
31 expended during an allotment period.

32 F. "Allotment period" means a period of less than a fiscal year in length during
33 which an allotment is effective.

34 G. "Allotment plan" means a fiscal management plan that divides a county
35 agency's program element budget into quarterly increments, reflecting the cyclical or
36 seasonal pattern of expenditures, for the purpose of identifying over and under expenditures
37 throughout the year.

38 H. "Appropriations" means an authorization granted by the council to make
39 expenditures and to incur obligations for specific purposes.

40 ~~((H.))~~ L. "Appropriation ordinance" means the ordinance that establishes the legal
41 level of appropriation for a fiscal year or biennium.

42 ~~((I.))~~ J. "Art" means funds budgeted for the one percent for art program under
43 K.C.C. chapter 4.40 or as otherwise provided by ordinance for a public art program.

44 ~~((J.))~~ K. "Budget" means a proposed plan of expenditures for a given period or
45 purpose and the proposed means for financing these expenditures.

46 ~~((K.))~~ L. "Budget document" means a formal, written, comprehensive financial
47 program presented by the executive to the council, including an electronic database with
48 revenues and expenditures for all county agencies at the lowest organization levels and all
49 summary levels provided in the general ledger system, balanced to the financial plans and
50 the appropriation ordinance, fee ordinances, motions related to proposed levy rates to
51 comply with chapter 36.40 RCW and cost-of-living adjustment ordinance proposed by the
52 executive.

53 M. "Budget message" means a formal oral presentation by the executive to the
54 council that explains the budget in terms of goals to be accomplished and how the budget
55 relates to the Comprehensive Plan.

56 ~~((L.))~~ N. "Capital improvement plan" means a plan that establishes the capital
57 improvements required to implement an approved operational master plan. This plan
58 should extend over a minimum period of six years to define long-range capital
59 improvement requirements and the annual capital improvements budget for a user agency.

60 1. The capital improvement plan shall include the following elements, where
61 applicable:

- 62 a. general program requirements that define the development scope for specific
63 sites or facilities;
- 64 b. general space and construction standards;
- 65 c. prototype floor plans and prototype facility designs for standard
66 improvements;
- 67 d. space requirements based on the adopted county space plan;
- 68 e. initial, and life-cycle cost, of alternative facilities and locations including lease
69 and lease/purchase approaches;
- 70 f. approximate location of planned capital improvements;
- 71 g. general scope and estimated cost of infrastructure;
- 72 h. a schedule, that extends over a minimum of six years, for the implementation
73 of projects included in capital improvement plans, based on overall user agency priorities
74 and projected available revenue;

75 2. The user agency shall prepare the elements of the plan in subsection L.1. a, d, f
76 and h of this section. The implementing agency shall prepare the elements of this plan in
77 subsection L.1. b, c, e and g of this section.

78 3. The six-year budget schedule included in the capital improvement plan shall be
79 updated annually in conjunction with the capital budget adoption process.

80 ~~(M.)~~ O. "Capital project" means a project with a scope that includes one or more
81 of the following elements, all related to a capital asset: acquisition of either a site or
82 existing structure, or both; program or site master planning; design and environmental
83 analysis; construction; major equipment acquisition; reconstruction; demolition; or major
84 alteration. "Capital project" includes a: project program plan; scope; budget by task; and

85 schedule. The project budget, conceptual design, detailed design, environmental studies
86 and construction elements of a project shall be prepared or managed by the implementing
87 agency.

88 ~~((N:))~~ P. "CIP" means capital improvement program.

89 ~~((Θ:))~~ Q. "CIP exceptions notification" means, except for major maintenance
90 reserve fund, roads, solid waste, surface water management and wastewater CIP projects, a
91 letter filed with the clerk of the council for distribution to the chair of the budget and fiscal
92 management committee, or its successor committee, which describes changes to an adopted
93 CIP project's scope or schedule, or both, or total project cost and, with the exception of
94 schedule changes, shall be sent in advance of any action. For major maintenance reserve
95 fund CIP projects, "exceptions notification" means a letter filed with the clerk of the
96 council for distribution to the chair of the budget and fiscal management committee, or its
97 successor committee, that describes changes of fifteen percent or more to an adopted CIP
98 project's scope or schedule, or both, or total project costs and, with the exception of
99 schedule changes, shall be sent in advance of any action. For road CIP projects,
100 "exceptions notification" means a letter filed with the clerk of the council for distribution to
101 the chair of the transportation committee, or its successor committee, that describes
102 changes of fifteen percent or more to an adopted CIP project's scope or schedule, or both,
103 or total project costs and, with the exception of schedule changes, shall be sent in
104 advance of any action. For wastewater, solid waste and surface water management CIP
105 projects, "exceptions notification" means a letter filed with the clerk of the council for
106 distribution to the chair of the budget and fiscal management committee, or its successor
107 committee, and to the chair of the utilities committee, or its successor committee, which

108 describes changes of fifteen percent or more to an adopted CIP project's scope or
109 schedule, or both, or total project costs and, with the exception of schedule changes, shall
110 be sent in advance of any action.

111 ~~((P-))~~ R. "Construction" means funds budgeted for CIP project construction
112 including contract construction, contract inspection and testing and, as appropriate,
113 construction tasks performed by county forces.

114 ~~((Q-))~~ S. "Contingency" means funds budgeted for unanticipated CIP project costs
115 associated with any other project activities.

116 ~~((R-))~~ T. "Contracted design" or "preliminary engineering" means funds budgeted
117 for activities of a contract nature associated with all CIP project phases through bid
118 advertising. Included are contracts for feasibility studies, planning, studies, preliminary
119 design, construction drawings, bid specifications and on-site inspections.

120 ~~((S-))~~ U. "Cost elements" means CIP budgeting activities related to construction,
121 contracted design, preliminary engineering, acquisition of right of way, equipment and
122 furnishings, contingency, artistic furnishings, county force design, county force right of
123 way, project administration or other activities as provided by the council.

124 ~~((T-))~~ V. "Council" means the metropolitan King County council.

125 ~~((U-))~~ W. "County force design" means funds budgeted for CIP project design or
126 design review by county personnel.

127 ~~((V-))~~ X. "County force right of way" means funds budgeted for real property costs
128 associated with CIP land acquisition.

129 ~~((W-))~~ Y. "Deficit" means the excess of expenditures over revenues during an
130 accounting period, or an accumulation of such excesses over a period of years.

131 ~~((X.))~~ Z. "Director" means the director of the office of management and budget.

132 ~~((Y.))~~ AA. "Equipment and furnishings" means all costs for the purchase of
133 equipment and furnishings associated with CIP project construction.

134 ~~((Z.))~~ BB. "Executive" means the King County executive, as defined by Article 3
135 of the King County Charter.

136 ~~((AA.))~~ CC. "Expenditures" means, where the accounts are kept on the accrual
137 basis or the modified accrual basis, the cost of goods delivered or services rendered,
138 whether paid or unpaid, including expenses, provisions for debt retirement not reported as a
139 liability of the fund from which retired, and capital outlays. Where the accounts are kept
140 on the cash basis, "expenditures" means actual cash disbursements for these purposes.

141 ~~((BB.))~~ DD. "Financial plan" means a summary by fund of planned revenues and
142 expenditures, reserves and undesignated fund balance.

143 ~~((CC.))~~ EE. "Fiscal period" means a calendar year or a biennium.

144 FF. "Fund" an independent fiscal and accounting entity with a self-balancing set of
145 accounts recording either cash or other resources, or both, together with related liabilities,
146 obligations, reserves and equities that are segregated for the purpose of carrying on specific
147 activities or attaining certain objectives in accordance with special regulations, restrictions
148 or limitations.

149 ~~((DD.))~~ GG. "Fund balance" means the excess of the assets of a fund over its
150 liabilities and reserves except in the case of funds subject to budgetary accounting where,
151 before the end of a fiscal period, it represents the excess of the fund assets and estimated
152 revenues for the period over its liabilities, reserves and appropriations for the fiscal period.

153 ~~((EE))~~ HH. "General facility major maintenance emergent need contingency
154 project" means an appropriation to provide contingent budget authority for emergent needs
155 within major maintenance reserve fund CIP projects.

156 ~~((FF))~~ II. "Implementing agency" means the appropriate department and division
157 responsible for the administration of CIP projects.

158 ~~((GG))~~ JJ. "Lapse" of an appropriation means an automatic termination of an
159 appropriation.

160 ~~((HH))~~ KK. Major maintenance reserve fund CIP project" means any major
161 maintenance reserve fund CIP project that is allocated in the adopted six-year major
162 maintenance reserve fund CIP and is appropriated at the major maintenance reserve fund
163 level in accordance with K.C.C. 4.04.265.

164 ~~((H))~~ LL. "Major widening project" means any roads CIP project adding at least
165 one through lane in each direction.

166 ~~((JJ))~~ MM. "Object of expenditure" means a grouping of expenditures on the basis
167 of goods and services purchased, such as salary and wages.

168 ~~((KK))~~ NN. "Open space non-bond fund project" means an open space project that
169 is allocated in the adopted six-year open space CIP and is appropriated at the open space
170 non-bond fund number 3522 level in accordance with K.C.C. 4.04.300.

171 ~~((LL))~~ OO. "Operational master plan" means a comprehensive plan for an agency
172 setting forth how the organization will operate now and in the future. An operational
173 master plan shall include the analysis of alternatives and their life cycle costs to accomplish
174 defined goals and objectives, performance measures, projected workload, needed resources,

175 implementation schedules and general cost estimates. The operational master plan shall
176 also address how the organization would respond in the future to changed conditions.

177 ~~((MM.))~~ PP. "Program" means the definition of resources and efforts committed to
178 satisfying a public need. The extent to which the public need is satisfied is measured by the
179 effectiveness of the process in fulfilling the needs as expressed in explicit objectives.

180 ~~((NN.))~~ QQ. "Project administration" means funds budgeted for all county costs
181 associated with administering design and construction contracts on CIP projects.

182 ~~((OO.))~~ RR. "Project program plan" means a plan, primarily in written narrative
183 form, that describes the overall development concept and scope of work for a building,
184 group of buildings or other facilities at a particular site. The complexity of the project
185 program plan will vary based upon the size and difficulty of the program for a particular
186 site. When the plan includes projects that are phased over time, each phase shall have an
187 updated project program plan prepared by the user agency before project implementation.
188 The project program plan shall be prepared by the user agency with assistance from the
189 implementing agency. The program plan describes the user agency program requirements
190 for a specific building or site; provides the basis for these requirements; and identifies when
191 funds for the implementation of the capital projects will be provided. The program plan
192 shall elaborate on the general program information provided in the operational master plan
193 and the capital improvement plan. The plan shall also describe user agency programs, how
194 these programs would fit and function on the site, and the general recommendation of the
195 user agency regarding the appearance of the building or site. This plan shall indicate when
196 a site master plan is required for a project.

197 (~~PP.~~) SS. "Public need" means those public services found to be required to
198 maintain the health, safety and well-being of the general citizenry.

199 (~~QQ.~~) TT. "Quarterly management and budget report" means a report prepared
200 quarterly by the director for major operating and capital funds, that:

- 201 1. Presents executive revisions to the adopted financial plan or plans;
- 202 2. Identifies significant deviations in agency workload from approved levels;
- 203 3. Identifies potential future supplemental appropriations with a brief discussion
204 of the rationale for each potential supplemental;
- 205 4. Identifies significant variances in revenue estimates;
- 206 5. Reports information for each appropriation unit on the number of filled and
207 vacant full-time equivalent and term-limited temporary positions and the number of
208 temporary employees;
- 209 6. Includes the budget allotment plan information required under K.C.C.

210 4.04.060; and

- 211 7. Describes progress towards transitioning potential annexation areas to cities.

212 (~~RR.~~) UU. "Reappropriation" means authorization granted by the council to
213 expend the appropriation for the previous fiscal year for capital programs only.

214 (~~SS.~~) VV. "Regulations" means the policies, standards and requirements, stated in
215 writing, designed to carry out the purposes of this chapter, as issued by the executive and
216 having the force and effect of law.

217 (~~TT.~~) WW. "Revenue" means the addition to assets that does not increase any
218 liability, does not represent the recovery of an expenditure, does not represent the

219 cancellation of certain liabilities on a decrease in assets and does not represent a
220 contribution to fund capital in enterprise and intragovernmental service funds.

221 ~~((UU.))~~ XX. "Roads CIP project" means roads capital projects that are allocated in
222 the adopted six-year roads CIP and are appropriated at the roads CIP fund level in
223 accordance with K.C.C. 4.04.270.

224 ~~((VV.))~~ YY. "Scope change" means, except for major maintenance reserve fund,
225 roads, solid waste, surface water management and wastewater CIP projects, that a CIP
226 project's total project cost increases by ten percent or by fifty thousand dollars, whichever
227 is less. For major maintenance reserve fund, roads, solid waste, surface water management
228 or wastewater CIP projects, "scope change" means the total project cost increases by fifteen
229 percent.

230 ~~((WW.))~~ ZZ. "Site master plan" means a plan prepared by the implementing
231 agency, with input from the user agency, that describes, illustrates and defines the capital
232 improvements required to provide user agency program elements.

233 1. The site master plan shall include preliminary information regarding, at a
234 minimum:

- 235 a. site analysis, including environmental constraints;
- 236 b. layout, illustration and description of all capital improvements;
- 237 c. project scopes and budgets;
- 238 d. project phasing; and
- 239 e. operating and maintenance requirements.

240 2. The site master plan shall be approved by the user agency and the
241 implementing agency before submittal to the executive and council for approval.

242 (~~XX~~) AAA. "Solid waste CIP project" means a solid waste project that is
243 allocated in the adopted six-year solid waste CIP and is appropriated at the solid waste CIP
244 fund level in accordance with K.C.C. 4.04.273.

245 (~~YY~~) BBB. "Surface water management CIP project" means a surface water
246 management project that is allocated in the adopted six-year surface water management
247 CIP and is appropriated at the surface water management CIP fund level in accordance
248 with K.C.C. 4.04.275.

249 (~~ZZ~~) CCC. "User agency" means the appropriate department, division, office or
250 section to be served by any proposed CIP project.

251 (~~AAA~~) DDD. "Wastewater asset management projects" means the wastewater
252 capital projects identified and intended by the wastewater treatment division to extend and
253 optimize the useful life of wastewater treatment assets, including facilities, structures,
254 pipelines and equipment.

255 (~~BBB~~) EEE. "Wastewater CIP project" means wastewater capital projects that
256 are allocated in the adopted six-year wastewater CIP and are appropriated at the wastewater
257 CIP fund level in accordance with K.C.C. 4.04.280.

258 SECTION 3. Ordinance 12045, Section 23, as amended, and K.C.C. 4.04.040 are
259 each hereby amended to read as follows:

260 A. The council and executive shall execute the following responsibilities (~~outlined~~
261 ~~below~~) in order to accomplish the preparation and distribution of the budget and budget
262 document.

263 1. a. At least two hundred forty-five days before the end of the fiscal period, the
264 council shall notify the executive by motion of those funds to be budgeted on an annual
265 basis and those to be budgeted on a biennial basis.

266 b. At least one hundred thirty-five days before the end of the fiscal period, all
267 agencies shall submit to the executive information necessary to prepare the budget.

268 ~~((b.))~~ c. Before presentation to the council, the executive may provide for
269 hearings on all agency requests for expenditures and revenues to enable the executive to
270 make determinations as to the need, value or usefulness of activities or programs requested
271 by agencies. The executive may require the attendance of proper agency officials at such
272 hearings~~((;))~~ and it shall be ~~((their))~~ the duty of those officials to disclose such information
273 as may be required to enable the executive to arrive at final determinations.

274 ~~((e.))~~ d. The executive shall prepare and present an annual or a biennial budget
275 and budget message to the council no later than seventy-five days before the end of the
276 fiscal year or biennium. Copies of the budget and budget message shall be delivered to the
277 clerk of the council and each councilmember.

278 ~~((d.))~~ e. The executive shall prepare and present a proposed appropriation
279 ordinance not later than seventy-five days before the end of the fiscal year or biennium
280 The proposed appropriation ordinance shall specify by any combination of fund, program,
281 project and agency as determined by the council the expenditure levels for the ensuing
282 budget year or biennium.

283 ~~((e))~~ f. Before the public hearing on the budget, the budget message and
284 supporting tables shall be furnished to any interested person upon request~~((;))~~ and copies of

285 the budget shall be furnished for a reasonable fee as established by ordinance and shall be
286 available for public inspection in the office of the clerk of the council and on the Internet.

287 ((f.)) g. Seven days before the presentation of the ((annual)) proposed budget
288 and budget message to the council, the director shall submit to the council copies of all
289 agency and departmental budget requests and departmental and divisional work programs.

290 2.a. The council shall review the proposed appropriation ordinance and shall
291 make any changes or additions it deems necessary except the council shall not change the
292 form of the proposed appropriation ordinance submitted by the executive.

293 b. The council shall then announce and subsequently hold a public hearing or
294 hearings as it deems necessary.

295 c. Upon completion of the budget hearings, the council shall by ordinance adopt
296 an appropriation ordinance granting authority to make expenditures and to incur
297 obligations, and the council may attach an accompanying statement specifying legislative
298 intent.

299 3. The director shall be responsible for the printing and distribution of the
300 executive proposed budget and final adopted budget.

301 B.1.a. Within thirty days after adoption of the appropriation ordinance, all
302 agencies shall submit to the executive a statement of proposed expenditures at such times
303 and in such a form as may be required by the executive, provided that the council is not
304 required to submit an allotment. The statement of proposed expenditures shall include
305 requested allotments of appropriations for the ensuing fiscal period for the department or
306 agency concerned by ((either)) program, project, object of expenditure or combination
307 thereof and for such periods as may be specified by the executive.

308 The executive shall review the requested allotments in light of the department's or
309 agency's plan of work~~((;))~~ and may revise or alter requested allotments. The aggregate of
310 the allotments for any department or agency shall not exceed the total of appropriations
311 available to the department or agency concerned for the fiscal period.

312 b. If at any time during the fiscal period the executive ascertains that available
313 revenues for the applicable period will be less than the respective appropriations, the
314 executive shall revise the allotments of departments or agencies funded from such revenue
315 sources to prevent the making of expenditures in excess of revenues. ~~((To the same end,~~
316 ~~€))~~The executive is also authorized to assign to, and to remove from, a reserve status any
317 portion of a department or agency appropriation which in the executive's discretion is not
318 needed for the allotment. No expenditure shall be made from any portion of an
319 appropriation ~~((which))~~ that has been assigned to a reserve status except as provided in this
320 section.

321 2. The executive shall periodically review any pay and classification plans, and
322 changes ~~((thereunder))~~ made to those plans, for fiscal impact~~((;))~~ and shall recommend to
323 the council any changes to such plans~~((; provided, that))~~. However, none of the provisions
324 of this subsection shall affect merit systems of personnel management now existing or
325 hereafter established by ordinance relating to the fixing of qualification requirements for
326 recruitment, appointment, promotion or reclassification of employees of any agency.

327 3. During the last quarter of the fiscal year, the council when requested by the
328 executive may adopt an ordinance to transfer appropriations between agencies~~((; but))~~.
329 However, a capital project shall not be abandoned thereby unless its abandonment is
330 recommended by the department or agency responsible for planning.

331 4.a. Unless otherwise provided by ~~((the))~~ an appropriation ordinance~~((s))~~ and as
332 set forth ~~((herein))~~ in this section, all unexpended and unencumbered appropriations in the
333 current expense appropriation ordinances shall lapse at the end of the fiscal period. As
334 used in this subsection, "current expense appropriations" include all non~~((-))~~capital budget
335 appropriations.

336 b. ~~((A portion of any such appropriations may be carried forward into the~~
337 ~~subsequent fiscal year as part of a savings incentive program administered by the director~~
338 ~~and calculated as follows:~~

339 ~~(1) The amount to be carried forward shall be one half of the unexpended and~~
340 ~~unencumbered current expense appropriations which exceed underexpenditure~~
341 ~~requirements established for the year by the director, and exceed any loss of grant, contract~~
342 ~~or similar revenues, which are dedicated to fund the activities supported by the applicable~~
343 ~~appropriations. These amounts must result from efficiencies and other management~~
344 ~~measures; and~~

345 ~~(2) The calculated amount shall exclude appropriations requested in the~~
346 ~~subsequent fiscal year to pay for goods or services planned to be purchased during the~~
347 ~~current fiscal year, but neither delivered nor paid for during the current fiscal year.~~

348 ~~e. Amounts carried forward as set forth in this subsection shall be expended to~~
349 ~~improve productivity and service quality. Authorized uses include, but are not limited to,~~
350 ~~the acquisition of equipment, testing new service delivery systems and training, so long as~~
351 ~~such uses do not create recurring, annual obligations beyond minor equipment maintenance~~
352 ~~costs and are consistent with any applicable county automation standards and plans.~~

353 d. ~~By May 1st of each year, the executive shall submit to the council a report~~
354 ~~describing the amount of savings each agency has carried forward from the prior fiscal~~
355 ~~year.~~

356 e.)) An appropriation in the capital budget appropriations authorization shall be
357 canceled at the end of the fiscal year or biennium, unless the executive submits to the
358 council the report of the final year end reconciliation of expenditures for all capital projects
359 on or before March 1((st)) of the year following the year of the appropriation, and each
360 year thereafter in which the appropriation remains open.

361 ~~((5. There is hereby created the current expense opportunity fund. Contributions~~
362 ~~to the fund shall be made pursuant to the formula contained in this subsection, or by direct~~
363 ~~appropriation.~~

364 a. ~~The amount deposited in the current expense opportunity fund shall be one-~~
365 ~~half of the unexpended and unencumbered current expense appropriations which exceed~~
366 ~~underexpenditure requirements established for the year by the office of financial~~
367 ~~management, and exceed any loss of grant, contract or similar revenues, which are~~
368 ~~dedicated to fund the activities supported by the applicable appropriations. The calculated~~
369 ~~amount shall exclude appropriations requested in the subsequent fiscal ((year)) period to~~
370 ~~pay for goods or services planned to be purchased during the current fiscal ((year)) period,~~
371 ~~but neither delivered nor paid for during the current fiscal ((year)) period. The funds~~
372 ~~deposited in the current expense opportunity fund shall be equal to the funds made~~
373 ~~available to the savings incentive program.~~

374 b. ~~The executive may recommend, subject to appropriation, the expenditure of~~
375 ~~the current expense opportunity funds in the ((annual)) biennial budget submittal or in~~
376 ~~supplemental spending requests.~~

377 6.) 5.a. Except as otherwise provided in this subsection B.((6))5. of this section,
378 no agency shall expend or contract to expend any money or incur any liability in excess of
379 the amounts appropriated. Any contract made in violation of this section shall be null and
380 void; any officer, agent or employee of the county knowingly responsible under such a
381 contract shall be personally liable to anyone damaged by this action. The council when
382 requested to do so by the executive may adopt an ordinance permitting the county to enter
383 into contracts requiring the payment of funds from appropriations of subsequent fiscal
384 years, except that the executive may enter into grant contracts, as provided under
385 subsection B.((7)) 6. of this section.

386 b. The term of a lease or agreement for real or personal property shall not extend
387 beyond the end of a calendar year unless:

388 (1) funding for the entire term of that lease or agreement is included in a capital
389 appropriation ordinance ~~((provided that any lease or agreement longer than a cumulative~~
390 ~~total of two years shall require council approval))~~, though any lease or agreement for real
391 property longer than a cumulative total of two years shall require council approval by
392 ordinance; ((or))

393 (2) such a lease or agreement includes a cancellation clause under which the
394 lease or agreement may be unilaterally terminated for convenience by the county and costs
395 associated with such termination for convenience, if any, shall not exceed the appropriation
396 for the year in which termination is effected ~~((provided that any decision to continue to the~~

397 ~~lease or agreement beyond a cumulative total of two years shall require council approval)),~~
398 though any decision to continue any lease or agreement for real property beyond a
399 cumulative total of two years shall require council approval by ordinance; or

400 (3) such a lease or agreement is authorized by ordinance for such periods and
401 under such terms as the county council shall deem appropriate.

402 c. Real property shall not be leased to the county for more than one year unless it
403 is included in a capital appropriation ordinance.

404 d. Nothing in this section shall prevent the making of contracts or the spending
405 of money for capital improvements, ~~((not))~~ or the making of contracts of lease or for
406 service for a period exceeding the fiscal period in which such a contract is made, when
407 such a contract is permitted by law.

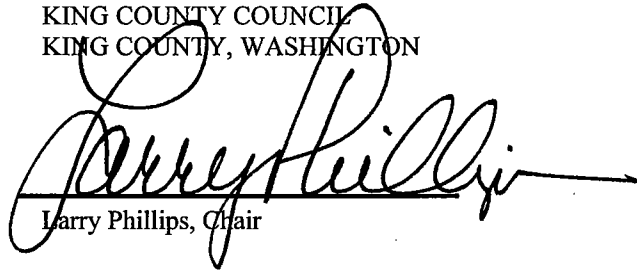
408 ~~((7.))~~ 6. The executive may enter into contracts to implement grants awarded to
409 the county before the appropriation of grant funds, including appropriations that must be
410 made in future years, if the council has received prior notice of the grant application and if
411 either of the following conditions are met: all of the funds to be appropriated under the

412 contract will be from the granting agency; or all financial obligations of the county under
413 the contract are subject to appropriation.
414

Ordinance 15545 was introduced on 11/1/2004 and passed by the Metropolitan King
County Council on 7/10/2006, by the following vote:

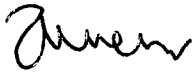
Yes: 9 - Mr. Phillips, Mr. von Reichbauer, Ms. Lambert, Mr. Dunn, Mr.
Ferguson, Mr. Gossett, Ms. Hague, Ms. Patterson and Mr. Constantine
No: 0
Excused: 0

KING COUNTY COUNCIL
KING COUNTY, WASHINGTON



Larry Phillips, Chair

ATTEST:



Anne Noris, Clerk of the Council

APPROVED this ____ day of _____, 2006.

**DEEMED ENACTED WITHOUT
COUNTY EXECUTIVE'S SIGNATURE**
DATED: 7/21/06

Ron Sims, County Executive

Attachments None

RECEIVED
2006 JUL 21 PM 2:01
KING COUNTY COUNCIL
CLERK



King County

Ron Sims

King County Executive

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CLERK
KING COUNTY COUNCIL

July 21, 2006

The Honorable Larry Phillips
Chair, King County Council
Room 1200
C O U R T H O U S E

Dear Councilmember Phillips:

I am returning to you Ordinance 15545 without my signature, allowing the ordinance to lapse into law.

While I am generally supportive of the ordinance as adopted by the County Council, the provision in Section 3 relating to when the council would provide a listing of funds which should be subject to a biennial budget is of great concern to me.

Section 3.A.1.a. of the ordinance states that at least two hundred forty five days before the end of the fiscal year, the council will notify the Executive of those funds to be budgeted on an annual and those to be budgeted on a biennial basis. If the council were to transmit that information on the last allowable day, I would receive that information on April 30 . By that time of year, significant work would have been completed in anticipation of the preparation of the next year's budget. Decisions would have been made by my office on a broad range of budgetary policies. The Office of Management and Budget (OMB) works with agencies from the first of April on the Proposed Status Quo (PSQ) budget and would be within one to two weeks of sending those budgets to agencies with the budget instructions for preparing their upcoming budget proposals.

A much more appropriate date for a determination of the list of annual and biennial budgets would be *the last day in February*. This date would be more consistent with the beginning of the financial planning efforts which start the annual budget process.

While the ordinance does prescribe the two hundred forty days, I would ask the council to work with me and OMB each year to make the determination of annual and biennial budgets as early in the year as possible, with a target of making those determinations in February.



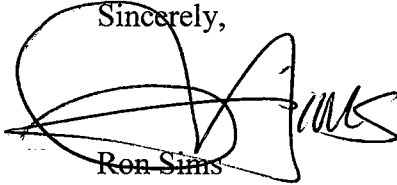
The Honorable Larry Phillips

July 21, 2006

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Thank you for your consideration. If you have any questions, please feel free to contact Bob Cowan, Director, Office of Management and Budget, at 206-205-0630.

Sincerely,

A handwritten signature in black ink, appearing to read "Ron Sims", written over a large, stylized circular scribble.

Ron Sims
King County Executive

cc: King County Councilmembers

ATTN: Shelley Sutton, Policy Staff Director

Rebecha Cusack, Legislative Committee Director, BFM Committees

Anne Noris, Clerk of the Council

Bob Cowan, Director, Office of Management and Budget

Debora Gay, Deputy Director, Office of Management and Budget