

## Budget Timeline

### September

Executive transmits the budget to Council

### October

Council holds budget meetings and town halls

### November

Council adopts the final budget

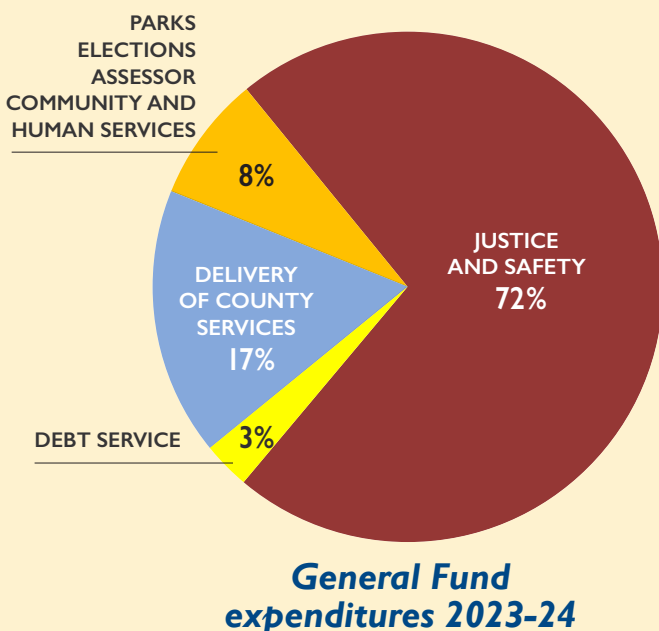
### More about the budget:

[bit.ly/kc-budget-review](https://bit.ly/kc-budget-review)

## Introduction

King County typically operates under a two-year (biennial) budget, previously adopted in the fall of even-numbered years. Because King County voters have chosen to move countywide elections to even-numbered years, the King County Council is adopting a one-year budget for 2025 to align with this shift. King County will revert to biennial budgets in 2026.

In late September, King County Executive Dow Constantine transmitted his proposed county budget to the King County Council. The Council is now undertaking a rigorous review of the budget that will culminate in the adoption of the 2025 budget in November. King County is required by law to adopt a balanced budget, and the Council's budget review is one of its most important functions. The Council welcomes public input during its review process and provides multiple opportunities for King County residents to weigh in.



## Legal constraints on the county budget

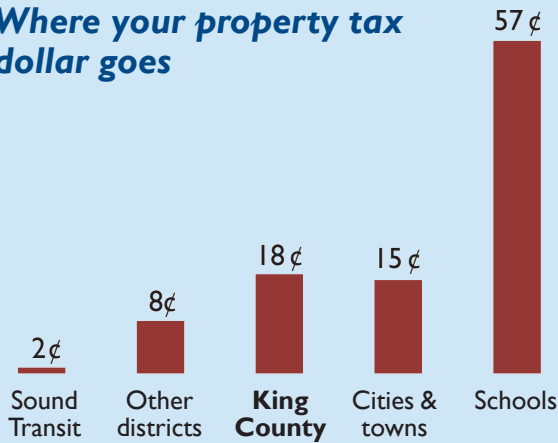
About 83% of the total county budget is restricted by law to specific purposes. These include contracts, fees, and voter-approved levies that are collected for specific uses and must be allocated towards these functions. For example, bus fares go towards paying for transit.

The flexible portion of the budget is the General Fund, which is about 17% of the total budget. The General Fund pays for the traditional functions of county government, such as the Sheriff's office and critical daily services not supported by other revenues.

Of the General Fund, almost three quarters (72%) goes to pay for criminal justice and public safety services, many of which are mandated by the state constitution. The remainder (28%) must fund other programs for county residents, such as public health and elections.



**Where your property tax dollar goes**



**Funding county services**

The General Fund is supported by two principal sources of tax revenue: property tax and sales tax.

King County is the collector of property taxes for all taxing jurisdictions within the county. Although you pay your property tax to King County, the County receives only 18 cents of every dollar. The rest goes to other agencies, including 57 cents to schools, and 15 cents to cities and towns.

Similarly, with the sales tax of 10.2 cents per dollar in most of the county, the state keeps 6.5 cents, 1.4 cents goes to Sound Transit and 0.9 cents to Metro Transit, and one cent is divided between King County and cities.

**The structural gap**

Counties across Washington State face structural gaps in their general funds between revenue and the costs of providing services to residents. While expenses rise at several percentage points each year, state law limits increases in property taxes to 1% plus revenue from new construction. This difference between the cost of services and revenues received is often called “the structural gap.”

Established by Initiative 747 and subsequently passed into law by the State Legislature, this 1% limit on annual property tax increases applies to the total amount of property taxes collected.

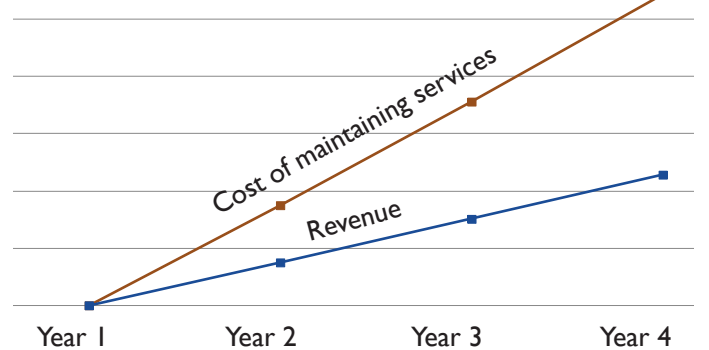
Under this cap, county revenues increase at a significantly lower rate than the rising cost of providing the same level of public services (see chart). This difference is an ongoing challenge for all counties in Washington State.

The structural gap in the county’s General Fund continues to create a deficit in the county budget. Because counties are required by state law to adopt a balanced budget, King County has been forced to cut services to residents to reconcile the deficit.

Other factors that contribute to deficits in the county budget, such as unfunded state mandates, are described on the Council web page: [bit.ly/budget-gap-2024](http://bit.ly/budget-gap-2024)

The deficit for 2025 is approximately \$35 million. In the short term, the County continues to make tough decisions to balance the budget. In the long term, the structural gap has to be addressed by the State Legislature, the County, and voters.

**The effect of the structural gap**



**Council’s budget review priorities**

In its review of the county budget, the Council will be paying attention to the following six priorities:

- Investing in community safety
- Maintaining access to critical healthcare services
- Housing our neighbors
- Supporting food security
- Connecting our county through public transit investments
- Preserving services in unincorporated King County

