2007-08 CHARTER ISSUE SUMMARY

Budget Timeline

Section 410 Presentation and Adoption of the Budget[•]

Issue subject: Should the charter be amended to extend the time for Council review of the Executive's proposed budget from 45 days (current) to *60 days* (Executive proposed) or *75 days* (Council proposed) to provide Council with reasonable time "to assess, analyze, and make necessary adjustments to the county budget?"

Issue raised by: In their September 28, 2007 letter to the Charter Review Commission, King County Councilmembers cited recommendations of the Financial Policies Advisory Task Force (Task Force) calling for related to the county annual budget that called for CRC review of the current budget timeline. They referenced the Task Force report (August 2007) that warned that the existing timeframe for Council deliberation may be insufficient.

Description of issue: Currently, the county charter requires the county executive to present his or her proposed budget to Council at least 75 days prior to the end of the fiscal year. It requires Council to adopt the budget at least 30 days prior to the end of the fiscal year, in effect giving Council 45 days to assess and make adjustments to the budget before the December 1st deadline.

Both the Executive and Council support amending the charter to increase the number of days for Council review of the Executive's proposed budget. They agree that given the size of the county and the increasing complexity of the budget, 45 days for legislative review is not adequate for Council due diligence. The Executive and Council disagree, however, on the number of days that would be reasonable, both for executive preparation of the annual budget and for legislative review and adjustment of it.

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Summary of proposed amendments to the charter:

Executive — The Executive's Office of Management and Budget (OMB) proposes extending the deadline for the Executive's presentation of the proposed budget to 90 days before the end of the fiscal year, effectively providing Council with 60 days to assess and make adjustments to the budget. The OMB asserts that a 60-day timeline will neither compromise the Executive's ability to incorporate timely financial projections nor increase downtime for Council committees, which under the current 45-day timeline have had to suspend activity during the time that the budget is under review.

Council — The King County Council proposes extending the deadline for the Executive's presentation of the proposed budget to 100 days before the end of the fiscal year, effectively providing Council with 70 days to assess and make adjustments to the budget. Council argues that as the county transitions to biennial budgets, financial projections extend over two-year periods and capital projects are less reliant on year-to-year financial projections. In addition, Council points out that

[•] Adoption of an amendment that advances the deadline for the Executive's presentation of the proposed budget, currently 75 days prior to the end of the fiscal year, will require an equivalent change in the deadline for county agency submission of information necessary to prepare the budget (Section 420 Budget Information), currently 135 days prior to the end of the fiscal year.

in five counties that are comparable to King County, each with an elected executive, time for legislative budget review is greater. Further, Council believe that increasing to 70 days the time for legislative review will allow its committees to continue their work unconstrained by the intense pressure on Council to complete budget assessment and adjustments before the December 1st deadline.

Suggested charter revisions: These amendments provide reasonable time both for preparation and for legislative review of the Executive proposed budget.

Section 410 Presentation and Adoption of the Budget

At least ~~**seventy-five days**~~ ____ days prior to the end of each fiscal year the county executive shall present to the county council a complete budget and budget message, proposed current expense and capital budget appropriation ordinances, and proposed tax and revenue ordinances necessary to raise sufficient revenues to balance the budget; and at least ~~thirty days~~ ____ days prior to the end of the fiscal year, the county council shall adopt appropriation, tax and revenue ordinances for the next fiscal year.

Section 420 Budget Information

At least ~~**one hundred thirty-five days**~~ ____ days prior to the end of the fiscal year, all agencies of county government shall submit to the county executive information necessary to prepare the budget.

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Recommendation:

1. Amend Section 410 to give Council at least ____ days prior to the end of the fiscal year for review and adjustment of the annual executive proposed budget. This would provide Council an additional 20 days in which to review the annual budget.

2. Amend Section 420 to require county agencies to submit budget information to the Executive at least ____ days prior to the end of the fiscal year.

Reference documents:

- Report of the Financial Policies Advisory Task Force, *Issues and Task Force Recommendations*, pp. 7-8, August 2007.

- Letter to CRC from Councilmember Ferguson, Councilmember Hague, Councilmember Constantine, and Councilmember Lambert, September 28, 2007.

- Letter to CRC from King County Council, December 17, 2007.

- Chart and table comparing King County with five other counties with regard to budget size and time allowed for legislative review, Council staff, December 2007.

Instructions for submitting charter recommendation to Council: Recommend to Council that it submit to King County voters in the November 2008 general election an initiative amending Sections 410 and 420, as indicated above.