

March 31, 1997

Introduced By: Chris Vance

Proposed No.: 97-227

ORDINANCE NO. **12685**

AN ORDINANCE creating a current expense opportunity fund; and amending Ordinance 12045, Section 23, as amended, and K.C.C. 4.04.040; repealing Ordinance 12673; and declaring an emergency.

BE IT ORDAINED BY THE COUNCIL OF KING COUNTY:

SECTION 1. Ordinance 12045, Section 23, as amended and K.C.C. 4.04.040 are hereby amended to read:

Preparation and administration of budget. A. PREPARATION AND DISTRIBUTION. The council and executive shall execute the responsibilities outlined below in order to accomplish the preparation and distribution of the budget and budget document.

1. Role of the executive.

a. Submission of agency requests. At least one hundred thirty-five days prior to the end of the fiscal year, all agencies shall submit to the executive information necessary to prepare the budget.

b. Executive budget hearings. Prior to presentation to the council, the executive may provide for hearings on all agency requests for expenditures and revenues to enable him to make determinations as to the need, value or usefulness of activities or

1 programs requested by agencies. The executive may require the attendance of proper  
2 agency officials at his hearings, and it shall be their duty to disclose such information as  
3 may be required to enable the executive to arrive at final determinations.

4 c. Submission of executive budget. The executive shall prepare and  
5 present an annual budget and budget message to the council no later than seventy-five days  
6 prior to the end of the fiscal year. Copies of the budget and budget message shall be  
7 delivered to the clerk and each councilmember.

8 d. Submission of proposed appropriation ordinance. The executive  
9 shall prepare and present a proposed appropriation ordinance not later than seventy-five  
10 days prior to end of the fiscal year. The proposed appropriation ordinance shall specify by  
11 fund, program, project and/or agency the expenditure levels for the ensuing budget year.

12 e. Availability to the public. Prior to the public hearing on the budget,  
13 the budget message and supporting tables shall be furnished to any interested person upon  
14 request, and copies of the budget shall be furnished for a reasonable fee as established by  
15 ordinance and shall be available for public inspection.

16 f. Additional information to be submitted to the council. Seven days  
17 prior to the presentation of the annual budget and budget message to the council, the chief  
18 budget and strategic planning officer shall submit to the council copies of all agency and  
19 departmental budget requests, and departmental and divisional work programs.

## 20 2. Role of the council.

21 a. Review of the executive budget. The council shall review the  
22 proposed appropriation ordinance and shall make any changes or additions it deems

1 necessary except the council shall not change the form of the proposed appropriation  
2 ordinance submitted by the county executive.

3 b. Legislative budget hearings. The county council shall then  
4 announce and subsequently hold a public hearing or hearings as it deems necessary.

5 c. Appropriation. Upon completion of the budget hearings the county  
6 council shall by ordinance adopt an appropriation granting authority to make expenditures  
7 and to incur obligations, and the council may attach an accompanying statement specifying  
8 legislative intent.

9 3. Printing and distribution of the budget. The chief budget and strategic  
10 planning officer shall be responsible for the printing and distribution of the executive  
11 proposed budget and final adopted budget.

## 12 B. ADMINISTRATION OF THE BUDGET.

### 13 1. Allotment and Work Program.

14 a. Establishment of allotments. Within thirty days after adoption of  
15 the appropriation ordinance, all agencies shall submit to the executive a statement of  
16 proposed expenditures at such times and in such form as may be required by the executive,  
17 provided that the council is not required to submit an allotment. The statement of proposed  
18 expenditures shall include requested allotments of appropriations for the ensuing fiscal  
19 period for the department or agency concerned by either program, project, object of  
20 expenditure or combination thereof and for such periods as may be specified by the  
21 executive. The executive shall review the requested allotments in light of the department's  
22 or agency's plan of work, and may revise or alter requested allotments. The aggregate of

1 the allotments for any department or agency shall not exceed the total of appropriations  
2 available to the agency concerned for the fiscal period.

3 b. Revision of allotments. If at any time during the fiscal period the  
4 county executive ascertains that available revenues for the applicable period will be less  
5 than the respective appropriations, the executive shall revise the allotments of departments  
6 or agencies funded from such revenue sources to prevent the making of expenditures in  
7 excess of revenues. To the same end, the executive is authorized to assign to, and to  
8 remove from, a reserve status any portion of a department or agency appropriation which  
9 in the executive's discretion is not needed for the allotment. No expenditure shall be made  
10 from any portion of an appropriation which has been assigned to a reserve status except as  
11 provided in this section.

12 2. Review of Pay and Classification Plans. The executive shall periodically  
13 review any pay and classification plans, and changes thereunder, for fiscal impact, and  
14 shall recommend to the council any changes to such plans; provided, that none of the  
15 provisions of this subsection shall affect merit systems of personnel management now  
16 existing or hereafter established by ordinance relating to the fixing of qualification  
17 requirements for recruitment, appointment, promotion or reclassification of employees of  
18 any agency.

19 3. Transfer of Appropriations between Agencies. During the last quarter of  
20 the fiscal year, the council when requested by the executive may adopt an ordinance to  
21 transfer appropriations between agencies; but a capital project shall not be abandoned  
22 thereby unless its abandonment is recommended by the department or agency responsible  
23 for planning.

4. Lapsing of Appropriation.

a. Unless otherwise provided by the appropriation ordinances and as set forth herein, all unexpended and unencumbered appropriations in the current expense appropriation ordinances shall lapse at the end of the fiscal year. As used in this subsection, "current expense appropriations" include all non-capital budget appropriations.

b. A portion of any such appropriations may be carried forward into the subsequent fiscal year as a part of a savings incentive program administered by the chief budget and strategic planning officer and calculated as follows:

(1) The amount to be carried forward shall be one-half of the unexpended and unencumbered current expense appropriations which exceed underexpenditure requirements established for the year by the chief budget and strategic planning officer, and exceed any loss of grant, contract or similar revenues, which are dedicated to fund the activities supported by the applicable appropriations. These amounts must result from efficiencies and other management measures; and

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

c. Amounts carried forward as set forth in this subsection shall be expended to improve productivity and service quality. Authorized uses include, but are not limited to the acquisition of equipment, testing new service delivery systems and training, so long as such uses do not create recurring, annual obligations beyond minor equipment

1 maintenance costs and are consistent with any applicable county automation standards and  
2 plans;

3 d. By May 1 of each year, the executive shall submit to the council a  
4 report describing the amount of savings each agency has carried forward from the prior  
5 fiscal year;

6 e. An appropriation in the capital budget appropriations authorization  
7 shall be canceled at the end of the fiscal year, unless the executive submits to the council  
8 the report of the final year end reconciliation of expenditures for all capital projects on or  
9 before March 1<sup>st</sup> of the year following the year of the appropriation, and each year  
10 thereafter in which the appropriation remains open.

## 11 5. Current Expense Opportunity Fund.

12 There is hereby created the current expense opportunity fund. Contributions to the fund  
13 shall be made pursuant to the formula contained in this subsection, or by direct  
14 appropriation.

15 a. Source of Funds. The amount deposited in the current  
16 expense opportunity fund shall be one-half of the unexpended and unencumbered current  
17 expense appropriations which exceed underexpenditure requirements established for the  
18 year by the office of financial management, and exceed any loss of grant, contract or  
19 similar revenues, which are dedicated to fund the activities supported by the applicable  
20 appropriations. The calculated amount shall exclude appropriations requested in the  
21 subsequent fiscal year to pay for goods or services planned to be purchased during the  
22 current fiscal year, but neither delivered nor paid for during the current fiscal year. The

1 funds deposited in the current expense opportunity fund shall be equal to the funds made  
2 available to the savings incentive program.

3 b. Use of Funds. The executive may recommend, subject to  
4 appropriation, the expenditure of the current expense opportunity funds in the annual  
5 budget submittal or in supplemental spending requests.

6 ~~((5-))~~ 6. When contracts and Expenditures Prohibited.

7 a. Except as provided in paragraph B.6 of this section, no agency shall  
8 expend or contract to expend any money or incur any liability in excess of the amounts  
9 appropriated. Any contract made in violation of this section shall be null and void; any  
10 officer, agent or employee of the county knowingly responsible under such a contract shall  
11 be personally liable to anyone damaged by this action. The council when requested to do  
12 so by the executive may adopt an ordinance permitting the county to enter into contracts  
13 requiring the payment of funds from appropriations of subsequent fiscal years, except that  
14 the executive may enter into grant contracts, as provided by paragraph B.7 of this section.

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

17 (1) Funding for the entire term of that lease or agreement is  
18 included in a capital appropriation ordinance; or

19 (2) Such lease or agreement includes a cancellation clause under  
20 which the lease or agreement may be unilaterally terminated for convenience by the county  
21 and costs associated with such termination for convenience, if any, shall not exceed the  
22 appropriation for the year in which termination is effected; or

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

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

5 d. Nothing in this section shall prevent the making of contracts or the  
6 spending of money for capital improvements, nor the making of contracts of lease or for  
7 service for a period exceeding the fiscal period in which such contract is made, when such  
8 contract is permitted by law.

9 6. )) 7. Grant contracts. The executive may enter into contracts to implement  
10 grants awarded to the county prior to the appropriation of grant funds, including  
11 appropriations that must be made in future years, if the council has received prior notice of  
12 the grant application and if either of the following conditions are met: all of the funds to  
13 be appropriated under the contract will be from granting agency; or all financial obligations  
14 of the county under the contract are subject to appropriation.

15 SECTION 2. Ordinance 12673 is hereby repealed.

1            SECTION 3. The council finds as a fact and declares that an emergency exists and  
2 that the enactment of this ordinance as an emergency ordinance is necessary for the  
3 immediate preservation of public peace, health or safety or for the support of county  
4 government and its existing public institutions.

5            INTRODUCED AND READ for the first time this 31<sup>st</sup> day of  
6 March, 1997.

7            PASSED by a vote of 13 to 0 this 2nd day of April  
8 1997.

9            KING COUNTY COUNCIL  
10            KING COUNTY, WASHINGTON

11            Jane Hays  
12            Chair

13            ATTEST:

14            Justina  
15            ACTING Clerk of the Council

16            APPROVED this 11 day of April, 1997.

17            Dwight Davis  
18            King County Executive

19            Attachments: None.