



KING COUNTY

1200 King County Courthouse
516 Third Avenue
Seattle, WA 98104

Signature Report

November 23, 2015

Ordinance 18176

Proposed No. 2015-0476.1

Sponsors McDermott

1 AN ORDINANCE relating to expenditure of moneys in
2 excess of appropriations; amending Ordinance 17929,
3 Section 20, as amended, and K.C.C. 4A.100.070; and
4 declaring an emergency.

5 BE IT ORDAINED BY THE COUNCIL OF KING COUNTY:

6 **SECTION 1. Findings:**

7 A. K.C.C. 4A.100.070.D.2.c. conveys contracting authority to the executive to
8 expend funds beyond the adopted budget biennium if the contract is for a capital
9 improvement project as authorized in a capital improvement program adopted by
10 ordinance.

11 B. Proposed Ordinance 2015-0422 would adopt a six-year transportation capital
12 improvement program as a planning document for 2016 through 2021.

13 C. K.C.C. 4A.100.070.D.2.c. could have the unintended consequence of
14 authorizing an executive agency to contract for the full amount of a six-year capital
15 project in the absence of an appropriation for that full amount.

16 D. If executive agencies contracted for the full amount of six-year capital projects
17 in the absence of appropriations for the full amount for those projects, insufficient fiscal
18 support of the county government could result. In the event of a shortfall in
19 appropriation, the county could be facing an imbalanced capital budget. To correct for

20 the imbalance, support of existing public institutions could be jeopardized since monies
21 already appropriated to those institutions could be disappropriated to then be redirected to
22 those capital projects with executed contracts that exceed their appropriation.

23 SECTION 2. Ordinance 17929, Section 20, as amended, and K.C.C. 4A.100.070
24 are hereby amended to read as follows:

25 A.1. Any departments or agencies, except the council, with unanticipated
26 expenditures shall submit to the executive a statement of unanticipated expenditures. The
27 statement shall specify any request for supplemental appropriation by program, project,
28 object of expenditure or any combination thereof. The executive shall review the
29 requests in accordance with the department's or agency's work plan and determine
30 whether to submit a supplemental appropriation request.

31 2. If during the fiscal period the executive determines that revenues will be less
32 than the expenditure amounts included in the appropriations ordinance, the executive
33 shall revise the expenditures of departments or agencies funded from those revenue
34 sources to prevent the making of expenditures in excess of revenues. If the executive
35 determines that the fund has unrestricted reserves, the executive may use these reserves to
36 avoid making expenditure reductions; however, the use of reserves may not reduce the
37 fund balances below target reserve amounts. If the use of reserves exceeds five percent
38 of the total appropriation, the council shall be notified in the quarterly management and
39 budget report. An expenditure shall not be made from any portion of an appropriation
40 that has been assigned to a reserve status except as provided in this section.

41 B. All unexpended appropriations in noncapital appropriation ordinances lapse at
42 the end of the fiscal period.

43 C. The executive may transfer appropriation authority from an emergent need
44 contingency project to support a cost increase for a capital project in the same fund in
45 accordance with the procedures in K.C.C. 4A.100.080.

46 D.1. Except as provided in this subsection, an agency shall not expend or contract
47 to expend any money in excess of amounts appropriated. A contract made in violation of
48 this subsection is null and void. An officer, agent or employee of the county knowingly
49 responsible for such a contract is personally liable to anyone, including the county,
50 damaged by his or her action.

51 2. An agency may contract to expend money in excess of existing
52 appropriations when:

53 a. ~~((F))~~the contract commits the county to expend funds beyond the biennium
54 and the contract includes a cancellation clause that provides:

55 i. the contract may be unilaterally terminated by the county for lack of
56 appropriation; and

57 ii. ~~((F))~~the costs associated with such a termination, if any, shall not exceed
58 the appropriation for the biennium in which termination occurs;

59 b. ~~((F))~~the contract commits the county to expend funds beyond the biennium
60 and the council, at the request of the executive, adopts an ordinance permitting the county
61 to enter into the contract;

62 c. ~~((The contract commits the county to expend funds beyond the biennium
63 and the contract is for a capital improvement project as authorized in a capital
64 improvement program adopted by ordinance;~~

65 ~~d. (F))~~the contract implements a grant awarded to the county before the
66 appropriation of grant funds, including appropriations that must be made in future years,
67 if the council has received prior notice of the grant application and if either of the
68 following conditions are met: all of the funds to be appropriated under the contract will
69 be from the granting agency; or all financial obligations of the county under the contract
70 are subject to appropriation; or

71 ~~((e-)) d. ((F))~~the contract is an emergency contract as authorized by K.C.C.
72 2.93.080.

73 3. In accordance with Section 495 of the King County Charter, real property
74 shall not be leased to the county for more than one year unless it is included in a capital
75 budget appropriation ordinance.

76 4.a. Any lease or license for the possession or use of real property by the county
77 with a term, including any potential options, extensions or renewals, longer than five
78 years must be approved by the council before execution by the executive.

79 b. Any decision to extend a lease or license for the possession or use of real
80 property by the county beyond a cumulative total of five years, whether memorialized
81 through an option, extension, amendment, or new lease or license, must be approved by
82 the council before execution by the executive.

83 c. Any lease or license for the possession or use of real property by the county
84 that requires more than fifty thousand dollars in tenant improvement or other alterations
85 to the real property for the benefit of the county must be approved by the council before
86 execution by the executive.

87 E. A capital project budget and phases of a capital project shall be prepared by
88 the user agency. The capital project shall be managed by the implementing agency.

89 F. Ongoing review of capital projects for which moneys have been appropriated
90 shall be coordinated by the office of performance, strategy and budget or its successor.
91 For capital projects involving more than one agency, representatives from the agencies
92 shall consult with the office of performance, strategy and budget or its successor. The
93 office of performance, strategy and budget shall review capital projects for compliance
94 with scope, budget and schedule.

95 SECTION 3. The county council finds as a fact and declares that an emergency
96 exists and that this ordinance is necessary for the immediate preservation of public peace,

97 health or safety or for the support of county government and its existing public
98 institutions.
99

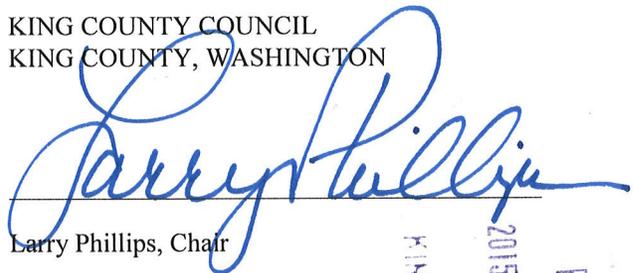
Ordinance 18176 was introduced on 11/9/2015 and passed by the Metropolitan King
County Council on 11/23/2015, by the following vote:

Yes: 7 - Mr. Phillips, Mr. von Reichbauer, Mr. Gossett, Ms. Lambert,
Mr. McDermott, Mr. Dembowski and Mr. Upthegrove

No: 0

Excused: 2 - Ms. Hague and Mr. Dunn

KING COUNTY COUNCIL
KING COUNTY, WASHINGTON



Larry Phillips, Chair

ATTEST:



Anne Noris, Clerk of the Council

APPROVED this 4th day of December 2015.



Dow Constantine, County Executive

Attachments: None

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CLERK
KING COUNTY COUNCIL