



King County

Dow Constantine

King County Executive
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August 31, 2021

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

Dear Councilmember Balducci:

This letter transmits a proposed Motion that, if adopted, would update King County's comprehensive financial management policies and rescind Motion 15250 which contains the previous version of the policies. This proposed legislation is submitted concurrently with proposed legislation that would update King County's debt management policies.

King County's certified financial management policies provide guidance for developing operating budgets, managing capital assets, applying discount rates, managing expenditures, collecting and forecasting revenues, and using reserves and fund balance. These proposed updates to the certified financial management policies build upon the previous update approved in 2018.

The proposed update includes a new section that provides a framework to guide King County's response to a financial recession. Economic recessions are cyclical and inevitable and can have significant impacts that require the County to make significant budget decisions to remain financially viable. The proposed policy goals and definitions are designed to provide clarity on when the County is entering and exiting a period of recession, and the framework County decision-makers should use to navigate decisions during a recession.

This legislation supports the King County Strategic Plan goal of efficient, accountable regional and local government and its objective to exercise sound financial management and build King County's long-term fiscal strength.

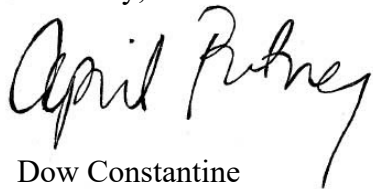
The Honorable Claudia Balducci

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Thank you for your consideration of this proposed legislation. If your staff have any questions, please contact Dwight Dively, Director, Office of Performance, Strategy and Budget, at 206-263-9687.

Sincerely,

 for

Dow Constantine
King County Executive

Enclosure

cc: King County Councilmembers
 ATTN: Janine Weihe, Interim Chief of Staff
 Melani Pedroza, Clerk of the Council
Shannon Braddock, Deputy Chief of Staff, Office of the Executive
Karan Gill, Council Relations Director, Office of the Executive
Dwight Dively, Director, Office of Performance, Strategy, and Budget
Ken Guy, Director, Finance and Business Operations Division