

WHY COUNTIES MATTER

Who are Counties

Counties in Washington State are “but arms or agencies of the state organized to carry out or perform some functions of state government. They, as instrumentalities of the state, have no powers except those expressly conferred by the constitution and state laws, or those which are reasonably or necessarily implied from the granted powers.”

*State ex rel. Board of Commissioners v. Clausen, 95 Wash. 214; State ex rel. Spokane v. Degraff, 143 Wash. 326; Spokane County v. Certain Lots in Spokane, 156 Wash. 393; Carpenter v. Okanogan County, 163 Wash. 18.

80%
of revenue is dedicated to
Countywide Services.

Services Provided

Washington State’s 39 Counties deliver both regional and local services. Virtually all programs and services that counties’ deliver are required by the constitution, laws or rules of the state.

Regional Services Throughout County:

- Jail
- Superior Court
- Prosecutor
- Indigent Defense (Public Defender)
- Juvenile Court
- Public Health
- Mental Health and Chemical Dependency
- Developmental Disabilities
- Conduct Elections (Auditor)
- Assess Properties (Assessor)
- Collect Property Tax (Treasurer)
- Licensing and Document Recording (Auditor)
- Treasurer for most Local Governments
- Death Investigations and Autopsies (Coroner)
- County Wide Planning Goals
- Emergency Management
- Economic Development
- Parks, Fairs, Museums
- Court Filings (Clerk)

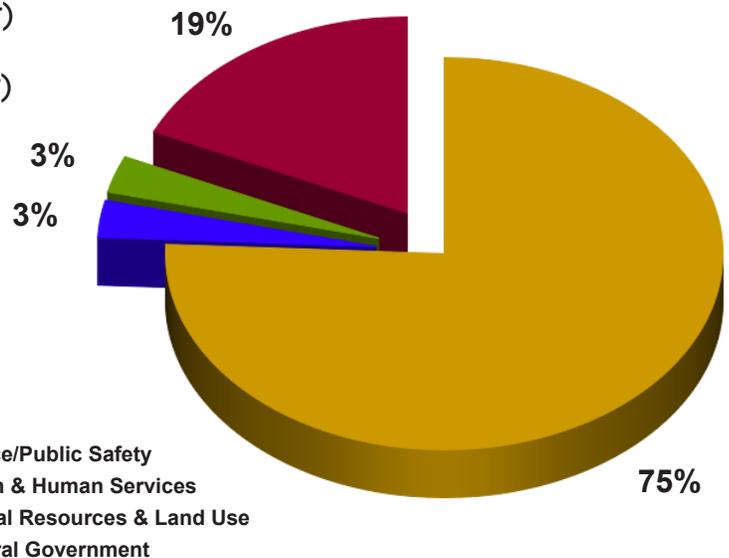
Revised Code of Washington and Washington Administrative Code prescribe and regulate most of the programs, services, and activities of County Government.

Counties work closely with State Agencies and Departments in implementing virtually all county programs and services.

Provide Local and Community Services in Unincorporated portion of the state:

- Law Enforcement (Sheriff)
- District Court
- Planning and Building Services
- Roads

Current Expense



FISCAL SUSTAINABILITY

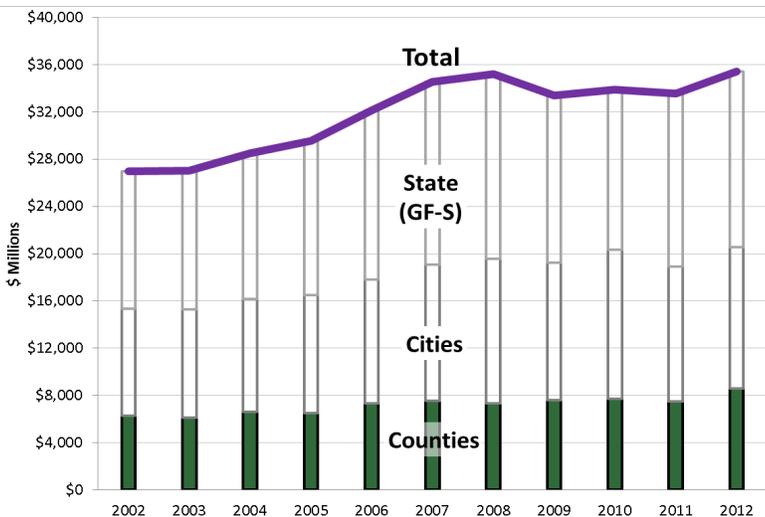
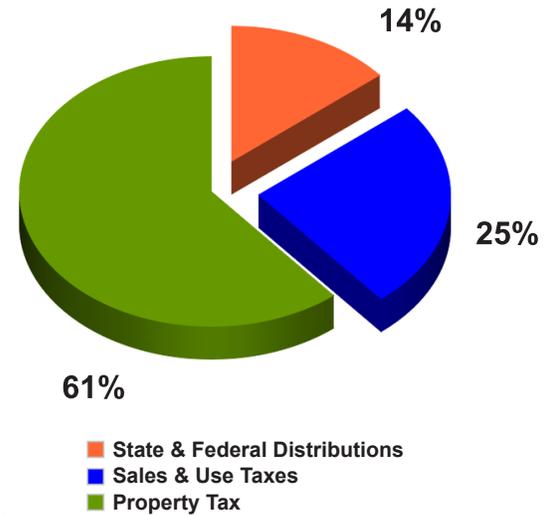
The vast majority of county revenue is derived from property taxes, sales and use taxes, and state and federal shared revenues. This presents three challenges in funding essential state services at the local level:

1. Lack of revenue diversity;
2. Lack of flexibility in how locally-generated revenues and state funds can be utilized; and
3. The fact that revenue streams are not sensitive to inflation (inelastic).

County revenue is structurally unable to meet current and future service demands. The overdependence on property tax, coupled with a smaller share of sales and use tax and lack of flexibility in the use of other revenues, means that economic growth does not help counties as much as it helps the state and cities.

County revenue sources simply cannot keep pace with the increasing demands placed on county government.

Revenue Sources



In 2007, a study requested by the Washington State Legislature found that "county revenue authority has been eroded from 2001 to 2007 to such an extent that in many counties, funding is not adequate to sustain equal access to basic services." This situation has only been exacerbated by the Great Recession. Without a change, counties will fail at delivering the services that are constitutionally and statutorily mandated by the state.

Counties collect about 22% of total general government revenues in the state

Revenue Projections

Assuming **8%** per year increase in new construction, property tax collections are only projected to grow **1.5%** per year.

Since most of the population growth and new construction is in incorporated areas, sales taxes grow about **50%** faster there.

Assuming aggressive growth in construction, counties can expect **2.5%** growth in total revenues.