

Benton County: Spending and Revenues

In this report, we review the spending and revenues of Benton County, and compare them with King, Pierce, Snohomish and Franklin counties.

The County At A Glance:

Population (2014).....	186,500
Population Growth Since 2005.....	17.1%
Unincorporated Population (2014).....	18.2%
Households (2009-2013).....	65,675
Median Household Income (2009-2013).....	\$60,485
Persons below poverty level (2009-2013).....	12.8%
Bachelor's degree or higher (% of persons over 25, 2009-2013).....	28.9%
Employment (Number of Jobs, 2013).....	98,353
Personal Income (\$1000, 2013).....	\$7,701,503
Private Nonfarm Establishments (2013).....	4,013
Farm Acreage (2012).....	703,505
Market value of agricultural products sold (\$1000, 2012).....	\$923,163
Building Permits (2014).....	942
Land Area (Square Miles).....	1,700
Paved Arterial Lane Miles (2014).....	595

Counties in Washington have widely varying spending levels. When all funds are considered, King County spends the most, \$3.137 billion in 2014, and Garfield County spends the least, \$6.8 million (SAO 2015). But a review of a selected group of counties reveals broadly similar spending priorities. This is a function of the role of counties as local governments, regional service providers, and agents of the state.

In this report, we review the spending and revenues of Benton County, and compare them with King, Pierce, Snohomish and Franklin counties. King, Pierce and Snohomish counties together comprise the largest metropolitan statistical area in the state. Benton and Franklin counties comprise the metropolitan statistical area with the greatest employment growth since the onset of the

Great Recession.

Benton County had 186,500 residents in 2014. Residents living in unincorporated areas of the county make up 18.2 percent of the population. (This is important because the county provides local government services for these residents.) The percentage of residents over 25 with at least a Bachelor's degree is 28.9 percent—the same as in Snohomish County. Of our five counties, Benton has the most farm acreage and the highest market value of agricultural products.

Benton County has 2.7 percent of Washington's population, 2.5 percent of its jobs, and 2.3 percent of its personal income. Of all Washington's county revenues, Benton collects 1.3 percent, and of all spending by counties, Benton represents 1.3 percent.

The County Role

Table 1: Examples of County Roles

<u>State Agent</u>	<u>Regional Service Provider</u>	<u>Local Government</u>
Prosecutor	District Court	Law Enforcement
Public Defender	Central Dispatch	Roads and Bridges
Superior Court	Public Health Services	Land Use Planning
Juvenile Court	Growth Management Policies	Zoning
Jail	River Basin Flood Plans	Building Permits
Mental Health	Solid Waste Management	Parks and Recreation
Developmental Disabilities	County Airports	Garbage
Property Tax Administration	Housing Programs	Sewer Service
Document Recording	Economic Development	Water Service

Source: MRSC

Counties are:

1. Agents of the state
2. Regional service providers
3. Unincorporated areas' primary local government

Table 2: 2014 General Fund Spending

	<u>State</u>	<u>Counties</u>
General Government	2.4%	45.1%
Public Safety	5.3%	46.0%
Education	54.7%	0.0%
Social Services	30.7%	3.3%
Natural and Economic Environment	1.2%	4.7%
Debt Service, Financing	5.2%	0.8%
Other	0.6%	0.1%

In 2014, Washington’s 39 counties spent a combined \$2.203 billion from their general funds. Comparative state spending was \$16.490 billion. Table 2 shows the relative importance of various budget areas to the state and county budgets. Clearly the state focus is on education and social services, while counties concentrate on public safety and general government (things like judicial activities and financial, recording and election services).

Counties have three main roles: They act as agents of the state, they are regional service providers, and they are the primary provider of local government ser-

vices for people living in unincorporated areas (MRSC 2015). (See Table 1 above for some examples.) Further, some cities contract with their counties for particular services. For example, several cities in King County do not have their own police forces; instead, they contract with the King County Sheriff to provide law enforcement services (King 2004).

County governments make expenditures from a general fund and several dedicated funds (whose revenue sources are restricted to expenditures for specific purposes). The general (or current expense) fund is the most flexible.

Auditor's Data

The Local Government Financial Reporting System data is comparable across counties.

This review of the spending and revenues of Benton County is based on data from the Local Government Financial Reporting System, which is maintained by the State Auditor's Office. Additionally, we include information from the county's most recently adopted budget for more context. (County budget documents are not directly comparable across counties; they may cover different time frames and appropriations may be categorized differently. Also, a county budget may not directly correspond to the spending the county reported to the auditor. The county may have spent less than budgeted or some data may not have been reported to the auditor, for example.)

The auditor's data groups spending into the following budget areas:

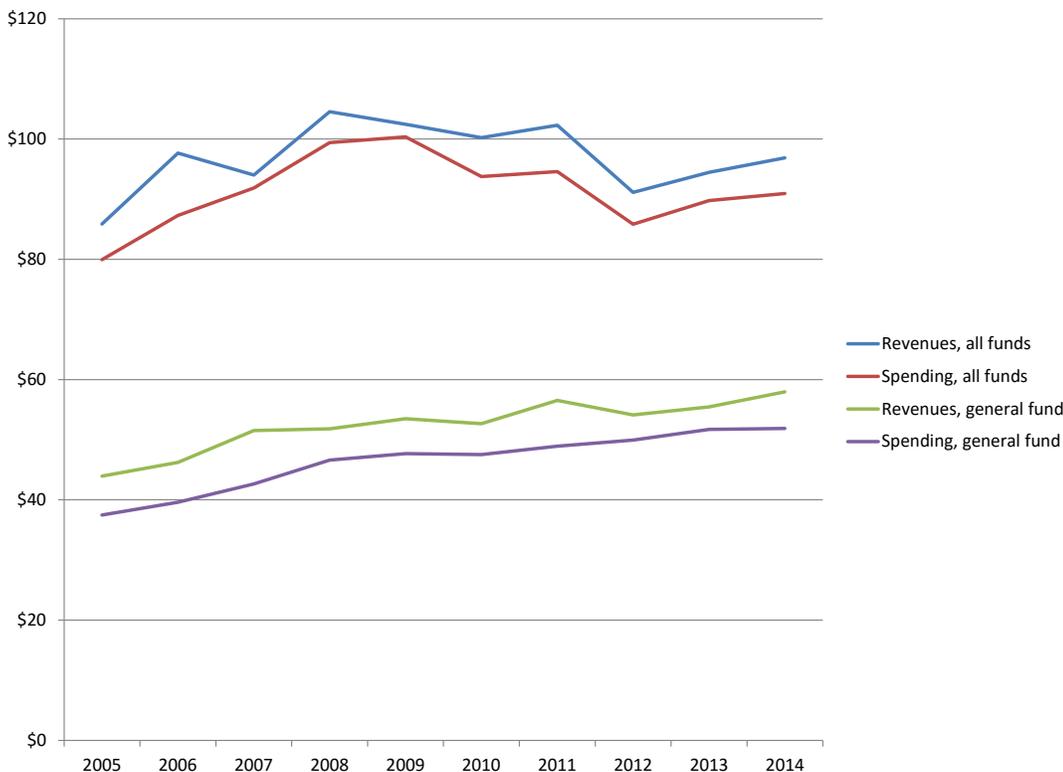
- General Government (e.g., legislative, executive and judicial activities)

- Public Safety (e.g., law enforcement activities and detention)
- Utilities (e.g., storm drainage and sewer)
- Transportation (e.g., roads, airports and transit)
- Natural and Economic Environment (e.g., employment opportunity and conservation)
- Social Services (e.g., hospitals, public and mental health, and welfare)
- Culture and Recreation (e.g., libraries and parks)
- Other Financing Uses/Debt Service/Capital Expenditures (e.g., issuance discount on long-term debt, redemption of long-term debt)

The revenue categories are:

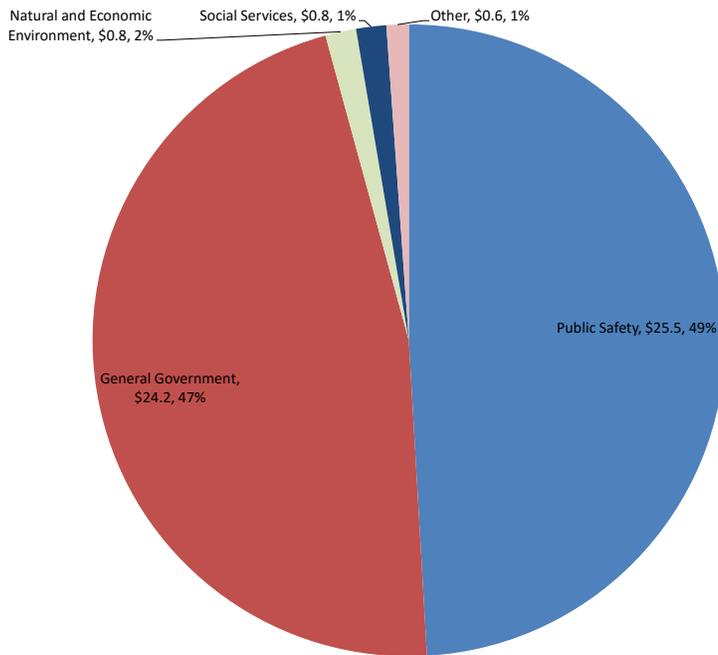
- Taxes (e.g., property and retail sales)
 - Licenses and Permits
- Intergovernmental Revenues (e.g., federal, state, and local grants and other payments)
- Charges for Goods and Services (e.g., utility sales and services, transportation fees)
- Fines and Penalties
- Miscellaneous Revenues (e.g., interest and rents)
- Proprietary Funds Revenues (e.g., insurance recoveries)
- Other Financing Sources (e.g., long-term debt proceeds, disposition of capital assets)

Chart 1: Benton County Spending and Revenues (Dollars in Millions)



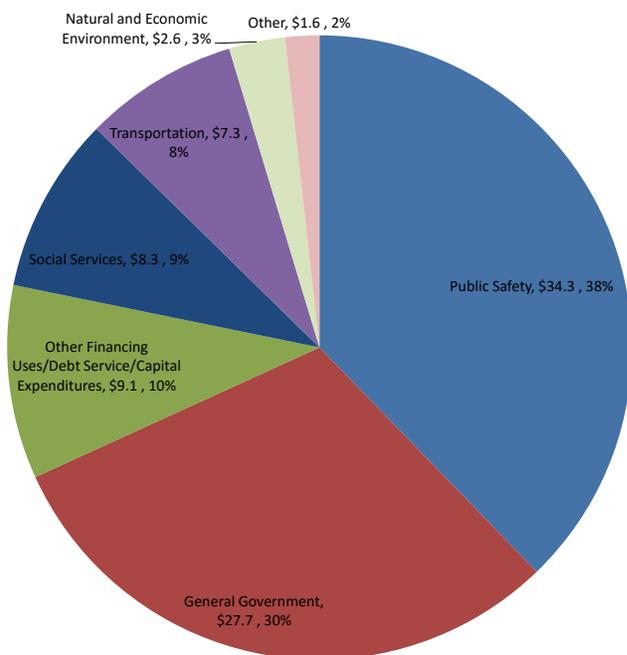
Benton County Spending

Chart 2: Benton County 2014 General Fund Spending (Dollars in Millions)



In 2014, Benton’s general fund spending was \$51.9 million. (See Chart 2.) Public safety accounted for 49.1 percent (\$25.5 million). Of public safety spending, \$16.1 million was for detention and \$9.3 million was for law enforcement. General government made up 46.7 percent (\$24.2 million). Of that, \$10.5 million was for judicial activities.

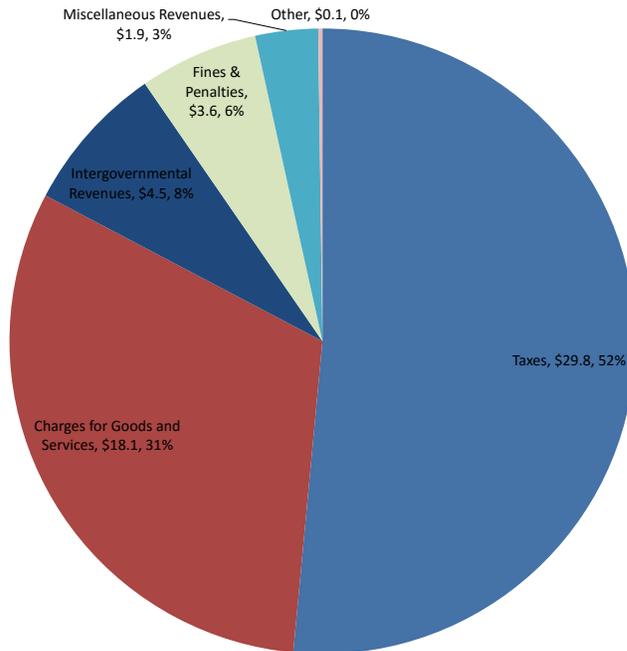
Chart 3: Benton County 2014 All Funds Spending (Dollars in Millions)



Benton’s spending from all funds in 2014 was \$91.0 million. (See Chart 3.) Public safety accounted for 37.8 percent (\$34.3 million). Of non-general fund public safety spending, \$7.4 million went to juvenile services. General government accounted for 30.4 percent of all spending (\$27.7 million). Other financing uses accounted for 10.0 percent (\$9.1 million). (These include capital expenditures and debt service and redemption.) Additionally, transportation funds for roads totaled \$7.3 million. In the natural and economic environment area, planning spending was \$809,334.

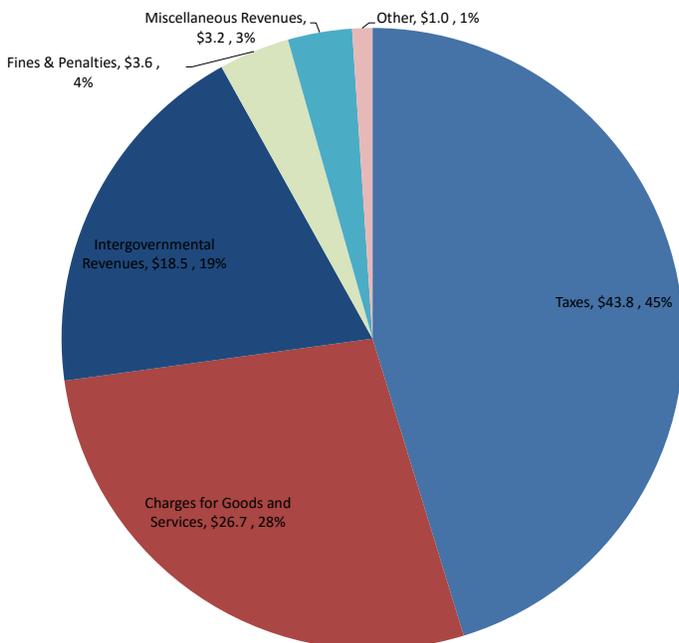
Benton County Revenues

Chart 4: Benton County 2014 General Fund Revenues (Dollars in Millions)



In 2014, Benton’s general fund revenues were \$58.0 million. (See Chart 4.) Taxes accounted for 51.5 percent (\$29.8 million). Property taxes brought in \$20.3 million for the general fund and retail sales and use taxes brought in \$9.3 million. Charges for goods and services accounted for 31.2 percent (\$18.1 million). Of these charges, \$9.8 million were related to detention and \$1.3 million were for law enforcement services.

Chart 5: Benton County 2014 All Funds Revenues (Dollars in Millions)



Benton’s revenues from all sources in 2014 totaled \$96.9 million. (See Chart 5.) Taxes were 45.3 percent of the total (\$43.8 million). Charges for goods and services were 27.6 percent (\$26.7 million). Intergovernmental revenues made up 19.1 percent (\$18.5 million). Of these, \$4.3 million was from federal grants and revenues and \$13.8 million was from state grants, revenues, and other payments.

The County Budget

Table 3: Benton County Adopted Appropriations (Dollars in Millions)

	2013/14	2015/16	Change
General Fund (Current Expense)			
Sheriff	\$50	\$54	9.0%
Prosecutor	\$9	\$9	8.2%
Courts	\$11	\$12	6.8%
Public Defense	\$5	\$5	0.7%
Other*	\$39	\$41	7.0%
Subtotal	\$114	\$122	7.7%
Road Fund	\$31	\$31	-0.1%
Other Funds	\$119	\$132	10.2%
All Funds	\$264	\$285	7.9%

*Other includes county clerk and assessor, facilities

Benton adopts a biennial budget. Total appropriations for 2015–2016 increase by 7.9 percent over 2013–2014 to \$285.1 million. Of that, \$54.4 million is for the sheriff, \$12.0 million is for the courts, \$9.5 million is for the prosecutor and \$5.1 million is for public defense. Additionally, \$4.9 million goes to the county clerk, \$4.5 million goes to the county assessor is \$4.5 million and \$1.4 million is for planning.

Comparing the Counties

Taxes are the largest source of revenue for Benton County and each of the four other counties (King, Pierce, Snohomish, and Franklin). For each county, the public safety and general government budget areas make up the bulk of general fund spend-

ing. For each county except King, the top three spending areas when considering all funds are public safety, general government and other finance (not necessarily in that order).

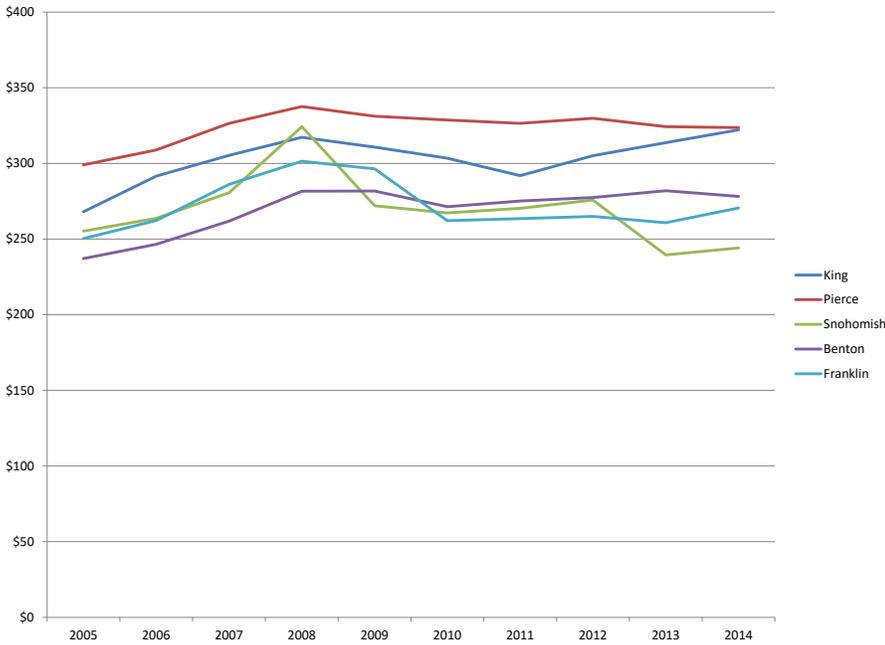
Table 4: Comparing the Counties' 2014 Taxes and Spending

	Taxes Per Capita	Salaries and Wages Per FTE Employee	Personnel Benefits Per FTE Employee	Detention Per Average Daily Jail Population	Judicial Activities Per Capita	Planning & Building Permits Per Permits Issued	Roads Per Lane Mile
King	\$727	\$71,411	\$29,270	\$64,713	\$58	\$3,104	\$79,631
Pierce	\$348	\$69,108	\$26,431	\$46,467	\$59	\$3,798	\$40,297
Snohomish	\$313	\$63,772	\$25,284	\$42,410	\$44	\$3,107	\$32,586
Benton	\$235	\$53,012	\$20,835	\$24,424	\$63	\$859	\$12,215
Franklin	\$246	\$56,644	\$22,095	\$20,007	\$36	\$1,413	\$7,998

Comparing the tax collections and certain spending areas of the counties on a per capita basis shows that, in general, the richer counties spend more. Benton County collects the fewest taxes per capita, spends the least on compensation and spends the most on judicial activities per capita.

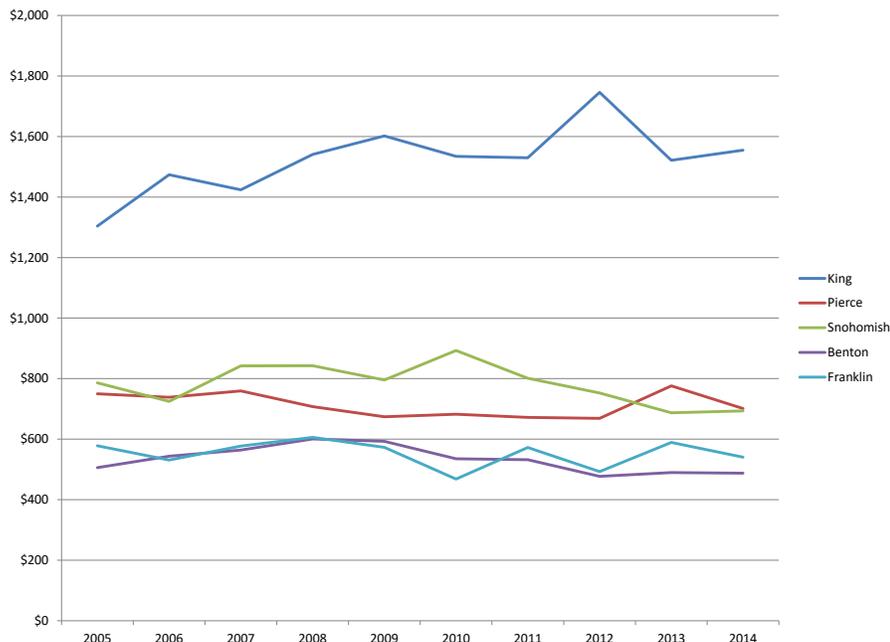
County Spending Compared Per Capita

Chart 6: General Fund Spending Per Capita



Charts 6 and 7 show spending over time on a per capita basis. The counties are fairly similar in general fund spending, with Benton in the middle. In spending from all funds, Benton County spent the least in 2014.

Chart 7: All Spending Per Capita



Washington Research Council

2015 Publications

- [Carbon Taxation](#)
- [Gov. Inslee’s Capital Gains Tax Proposal](#)
- [Levy Swap: Tax Increases, Tax Reductions, Unanswered Questions](#)
- [Regulatory Reform: A Win-Win-Win for Agencies, Businesses, and Taxpayers](#)
- [More . . .](#)

Podcasts

Now you can listen to WRC reports!

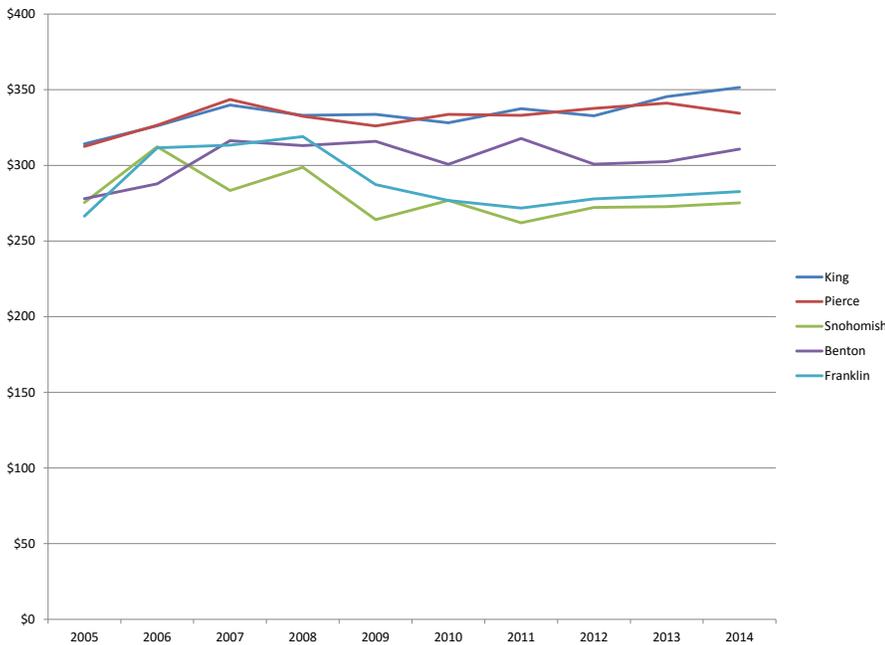


Go to researchcouncil.org

- [Policy Today](#)
- [90 Seconds](#)
- [InFocus](#)

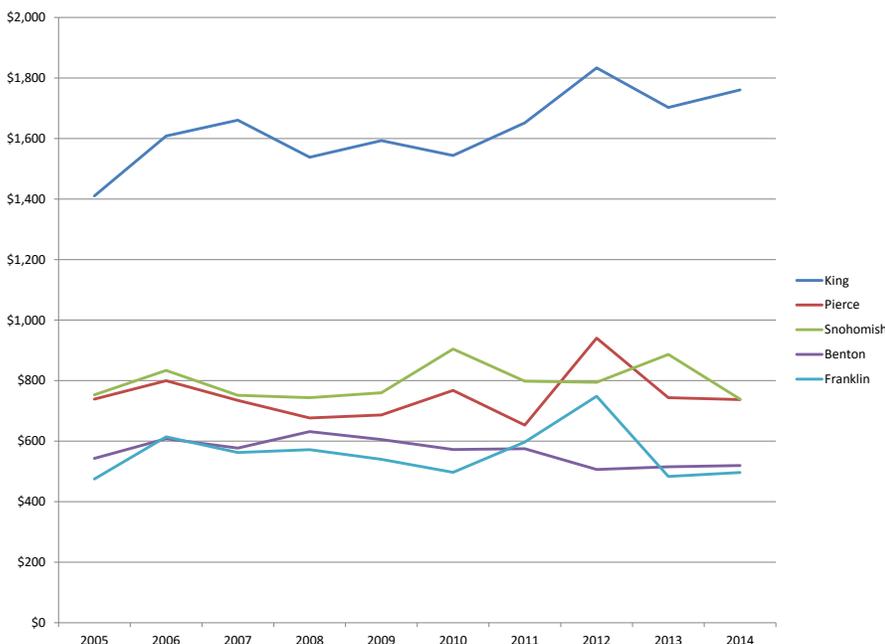
County Revenue Compared Per Capita

Chart 8: General Fund Revenues Per Capita



Charts 8 and 9 show revenue over time on a per capita basis. General fund revenues per capita are similar between the counties. Benton County collected the second least revenue from all funds.

Chart 9: All Revenues Per Capita



References

Benton County. 2014. "[2015-2016 Final Budget](#)." December 2.

Bureau of Economic Analysis. 2015. "[Local Area Personal Income and Employment](#)." U.S. Department of Commerce. Accessed October 30.

King County. 2004. "[Jurisdiction Primer](#)."

Municipal Research and Services Center (MRSC). 2015. "[County Commissioner Guide](#)." April.

Office of Financial Management. 2015. "[April 1 official population estimates](#)." Accessed October 30.

United States Census Bureau. 2015. "[State and County QuickFacts](#)." Accessed October 30.

United States Department of Agriculture. 2012. "[Census of Agriculture](#)." Volume 1, Chapter 2.

Washington State Auditor's Office (SAO). 2015. "[Local Government Financial Reporting System](#)."

Washington State County Road Administration Board. 2015. "[2014 Annual Report](#)." January 1.

Washington State Legislative Evaluation & Accountability Program Committee. 2015. "[Washington State Fiscal Information](#)."

Washington Research Council
 520 Pike Street, Suite 1250
 Seattle, Washington 98101
 206-467-7088
 fax: 206-467-6957
researchcouncil.org