

## Snohomish County: Spending and Revenues

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

### The County At A Glance:

Population (2014).....	741,000
Population Growth Since 2005.....	12.0%
Un-incorporated Population (2014).....	43.2%
Households (2009-2013).....	268,722
Median Household Income (2009-2013).....	\$68,381
Persons below poverty level (2009-2013).....	10.4%
Bachelor's degree or higher (% of persons over 25, 2009-2013).....	28.9%
Employment (Number of Jobs, 2013).....	347,341
Personal Income (\$1000, 2013).....	\$34,858,553
Private Nonfarm Establishments (2013).....	17,213
Farm Acreage (2012).....	70,863
Market value of agricultural products sold (\$1000, 2012).....	\$139,486
Building Permits (2014).....	3,473
Land Area (Square Miles).....	2,087
Paved Arterial Lane Miles (2014).....	1,018

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 Snohomish County, and compare them with King, Pierce, Benton 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.

Snohomish County has the third highest population in Washington, with 741,000 residents in 2014. Residents living in unincorporated areas of the county make up 43.2 percent of the population. (This is important because the county provides local government services for these residents.) Only 10.4 percent of the population is below the poverty level (this is the lowest percentage of our group of counties).

Snohomish County is home to 10.6 percent of Washington's population, 8.7 percent of its jobs, and 10.5 percent of its personal income. Of all Washington's county revenues, Snohomish collects 7.2 percent, and of all spending by counties, Snohomish represents 7.4 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 Snohomish 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:

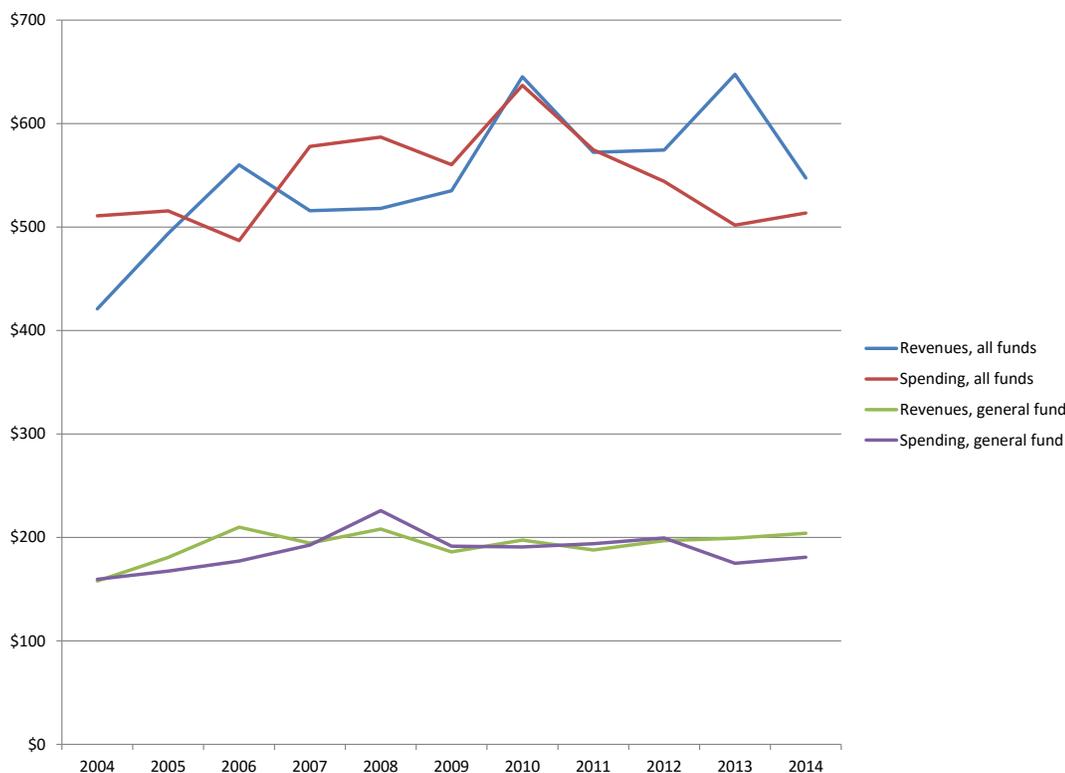
- General Government (e.g., legislative, executive and judicial activities)

- 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:

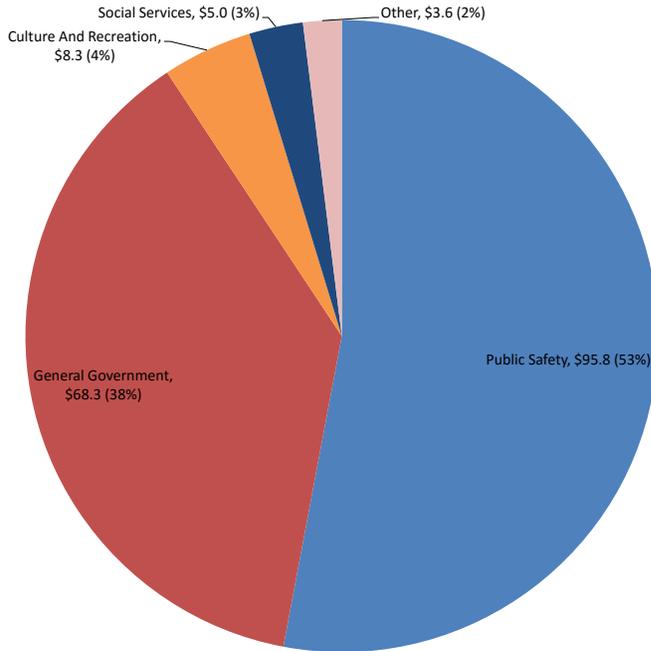
- Taxes (e.g., property and retail sales)
  - Licenses and Permits
- Intergovernmental Revenues (e.g., federal, state, and local grants and other payments)
  - Charges for Goods and Services (e.g., utility sales and services, transportation fees)
  - Fines and Penalties
  - Miscellaneous Revenues (e.g., 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: Snohomish County Spending and Revenues (Dollars in Millions)



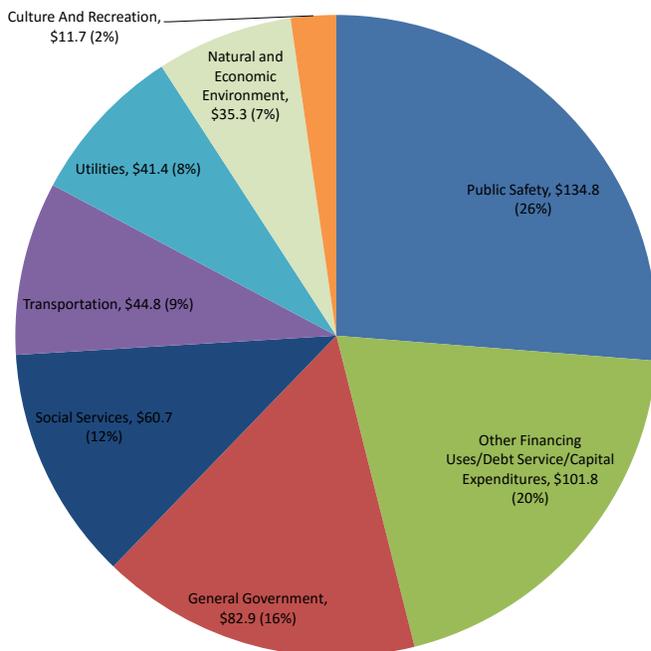
## Snohomish County Spending

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



In 2014, Snohomish spent \$180.9 million from the general fund. (See Chart 2.) Of that, public safety spending accounted for 53.0 percent (\$95.8 million). That included \$42.3 million for law enforcement and \$41.8 million for detention. General government spending accounted for 37.7 percent (\$68.3 million), including \$29.6 million for judicial activities.

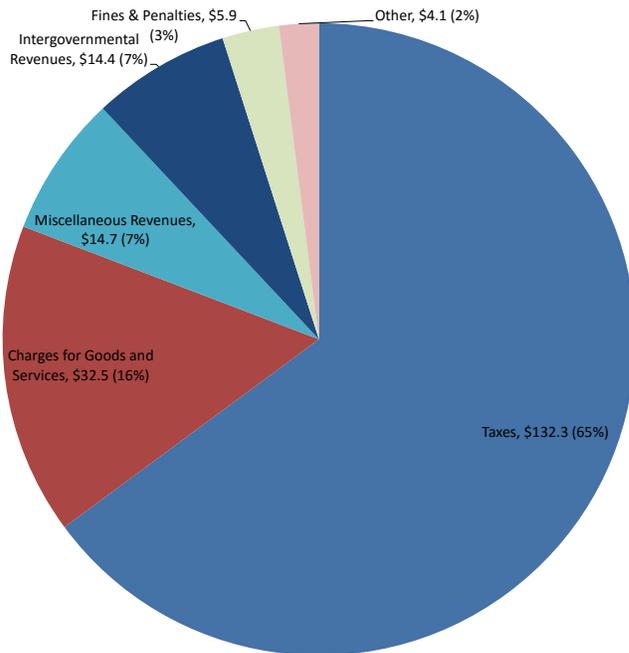
**Chart 3: Snohomish County 2014 All Funds Spending (Dollars in Millions)**



Snohomish spent \$513.6 million from all funds in 2014. (See Chart 3.) Public safety accounted for 26.2 percent of that (\$134.8 million). Non-general fund public safety spending included \$12.5 million for disaster response. Capital spending, debt service and debt redemption accounted for 19.8 percent (\$101.8 million). General government accounted for 16.1 percent (\$82.9 million). In the natural and economic environment area, \$5.9 million was spent for building permits and plan reviews and \$4.9 million was for planning.

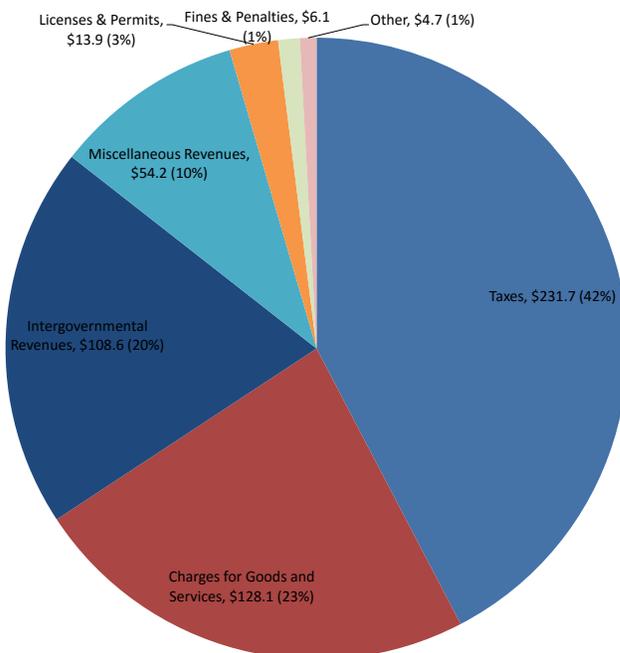
## Snohomish County Revenues

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



In 2014, Snohomish collected \$204.0 million in revenues from the general fund. (See Chart 4.) Tax collections accounted for 64.9 percent (\$132.3 million). Property tax collections totaled \$81.2 million and retail sales and use taxes totaled \$48.0 million. Charges for goods and services accounted for 15.9 percent (\$32.5 million). Of the charges, \$10.2 million were related to detention and \$8.0 million were related to law enforcement services. \$7.3 million of the charges were financial services fees.

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



Snohomish collected \$547.4 million in revenues from all funds in 2014. (See Chart 5.) Taxes accounted for 42.3 percent (\$231.7 million). Charges for goods and services accounted for 23.4 percent (\$128.1 million). Of non-general fund charges, utilities brought in \$53.6 million and transportation (roads and airports) brought in \$10.8 million. Intergovernmental revenues accounted for 19.8 percent of all spending (\$108.6 million). Federal grants and revenues totaled \$58.0 million and state grants, revenues and other payments totaled \$46.0 million.

## The County Budget

**Table 3: Snohomish County Adopted Appropriations (Dollars in Millions)**

	2014	2015	Change
<b>General Fund</b>			
Legislative/Executive	\$7	\$7	-3.0%
Judicial	\$31	\$31	1.1%
Law Enforcement	\$129	\$134	4.1%
Other Community Services	\$18	\$18	-2.6%
Administrative Services	\$24	\$24	-0.1%
Other*	\$19	\$12	-38.4%
<i>Subtotal</i>	<i>\$228</i>	<i>\$226</i>	<i>-1.0%</i>
<b>Non-General Fund</b>			
Legislative/Executive	\$5	\$6	10.1%
Judicial	\$6	\$6	-10.3%
Law Enforcement	\$22	\$21	-3.2%
Other Community Services	\$144	\$145	1.3%
Public Works	\$202	\$208	2.9%
Airport	\$41	\$36	-10.8%
Administrative Services	\$128	\$163	26.8%
Other*	\$70	\$72	2.7%
<i>Subtotal</i>	<i>\$618</i>	<i>\$657</i>	<i>6.2%</i>
<b>All Funds</b>	<b>\$847</b>	<b>\$883</b>	<b>4.3%</b>

\*Other includes debt service

Snohomish adopts an annual budget each year. Its 2015 adopted general fund budget appropriates \$226.1 million, a 1.0 percent decrease from 2014. \$52.5 million goes to the Sheriff, \$48.1 million goes to the Sheriff's Corrections Bureau, and \$21.7 million is for the Superior Court. (See Table 3.)

Non-general fund appropriations are \$656.9 million (a 6.2 percent increase). Appropriations for other community services increase by 1.3 percent. Those include human services (\$46.3 million) and parks and recreation (\$40.5 million). Public works increase 2.9 percent; of those, county roads get \$104.3 million, solid waste management gets \$55.3 million, and surface water management gets \$40.1 million. Planning gets \$18.4 million from all funds.

## Comparing the Counties

Taxes are the largest source of revenue for Snohomish County and each of the four other counties (King, Pierce, Benton, 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).

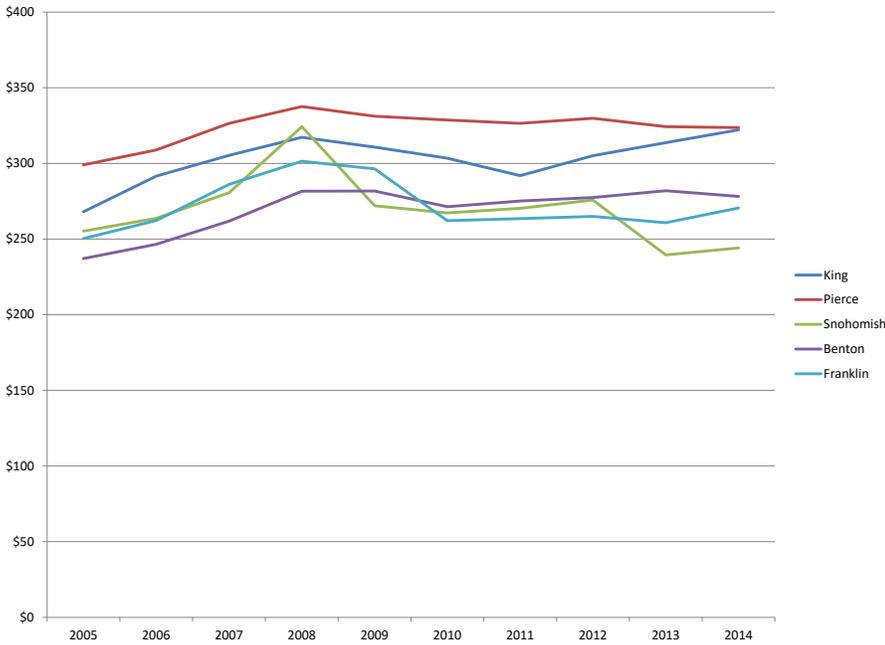
**Table 4: Comparing the Counties' 2014 Taxes and Spending**

	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. Snohomish County doesn't spend the most or the least in any of these categories.*

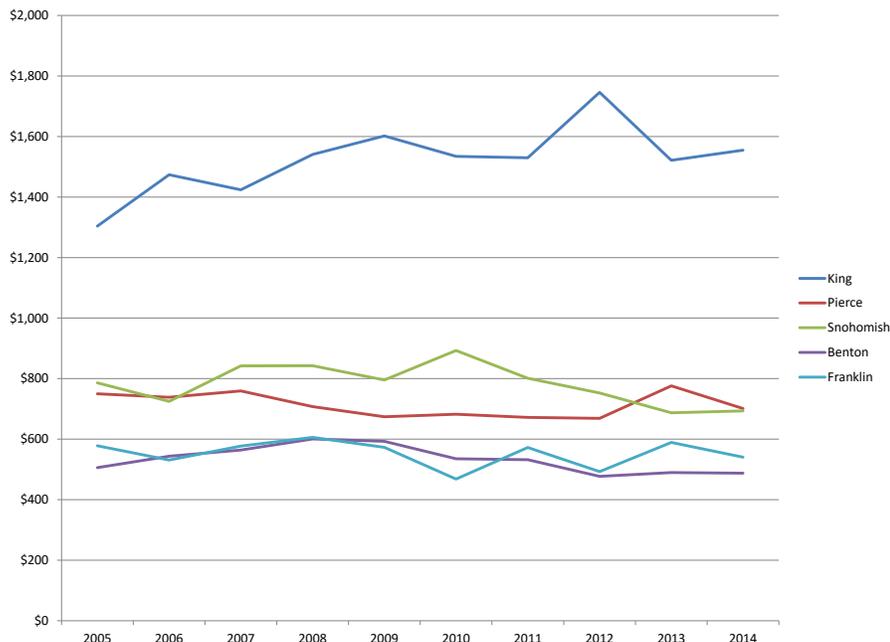
# County Spending Compared Per Capita

**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 Snohomish County spending the least. In spending from all funds, Snohomish County spent the third most in 2014.

**Chart 7: All Spending Per Capita**



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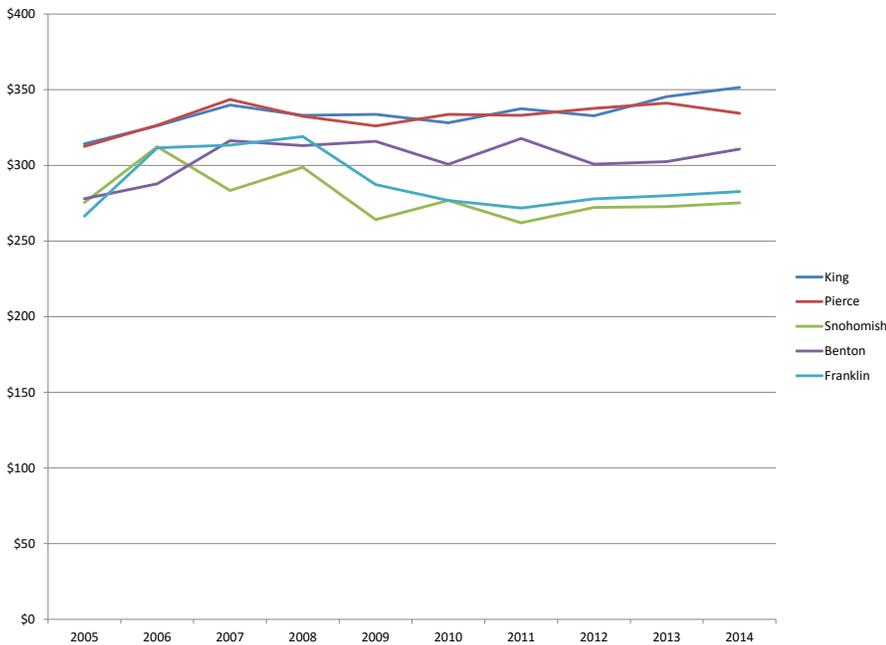


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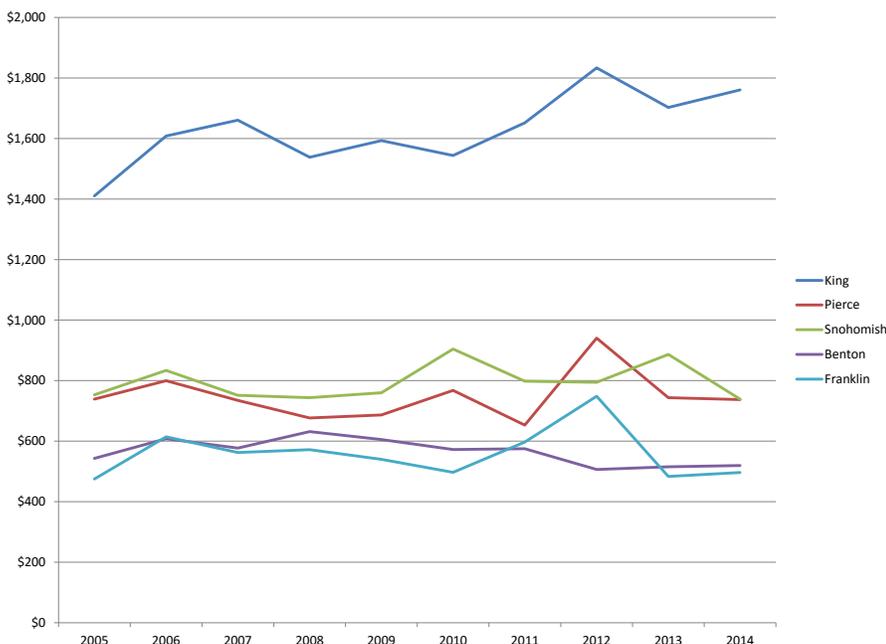
## County Revenue Compared Per Capita

**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. Snohomish County collected the second most revenue from all funds.

**Chart 9: All Revenues Per Capita**



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