



King County

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King County Executive

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October 10, 2023

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

Dear Councilmember Upthegrove:

This letter transmits the proposed second omnibus supplemental Ordinance of the 2023-2024 biennium, including proposed changes to operating and capital improvement program (CIP) budgets. The proposed legislation includes changes to funds for 2024, as well as updates to Proviso language. Details are provided in the crosswalk included in this transmittal package.

The proposed legislation reflects many difficult choices related to our General Fund. For more than 20 years, the cost to maintain existing programs and services has exceeded revenue growth because of the Washington State Legislature's one percent limit on annual property tax revenue increases and its failure to grant the County other forms of sustainable and progressive revenue. Moreover, King County is the only local government that the Legislature has barred from asking its voters to approve a special levy to pay for existing services. King County leaders, along with many other local government officials, have asked the State Legislature to revise the one percent growth limit since its inception and remove the non-supplantation restriction, but the Legislature has taken no action to do so. As a result, King County is facing a General Fund deficit of more than \$50 million in 2025.

Given the magnitude of the forecasted deficit, my office worked with King County's agencies and separately elected officials to phase in reduction to the General Fund in this proposed second omnibus Ordinance. The proposed budget supplemental includes \$19 million in General Fund savings, including \$12.6 million in reductions to General Fund programs and services and \$6.4 million in new revenues or savings achieved from moving existing programs to other County revenues.

If approved, these proposed General Fund reductions will have tangible effects on the services the County provides. Some services will be entirely eliminated, while others will serve fewer people and/or take longer to deliver results.

Unfortunately, these initial reductions are only the first step toward balancing the General Fund. Without significant state legislative action, in September 2024 I will be compelled to transmit a 2025 proposed budget with much more severe General Fund cuts. At this time, it appears these cuts will require eliminating nearly all remaining General Fund support for human services and our Public Health clinics. Additional reductions to programs that support individuals in the legal system, such as services in Family Court, are almost certain.

The General Fund reductions proposed in this Ordinance and anticipated for the 2025 budget reflect not only the effect of the one percent revenue growth limit but also the requirements imposed by the State that require counties to provide certain services. About one-third of our General Fund spending is supported by contracts with other local governments, such as contracts to provide police services for several suburban cities. Of the remaining two-thirds, about half is spent on services the State requires the County to provide, such as courts, jails, public defense, prosecution, elections, and property assessment. Because of these requirements, our General Fund budget cuts have to come from discretionary programs and services. Many of these discretionary programs and services are those that the public and County leaders value most.

While the General Fund faces severe economic challenges, most of the rest of the County's funds are healthy. The enclosed proposed Ordinance invests in the following areas:

- \$1.7 million for a new Park Ranger Program to create a positive public safety presence in parks and provide culturally relevant education and support for visitors;
- \$600,000 to maintain a Conservation Corps crew to provide garbage removal and other cleanup services in Skyway, Vashon, and North Highline;
- \$7.6 million in obligatory General Fund investments for items that are mandated by the State or required to reduce risk, such as equipment for the King County Sheriff's Office; and
- \$1.5 million to maintain our commitment to criminal legal system diversion programs by redirecting funding from the adult Community Diversion Program to the juvenile Restorative Community Pathways program to better meet demand for diversion services.

In addition to the items in the proposed Ordinance, \$5 million of existing MIDD Fund dollars are now designated to addressing the opioid crisis, focusing on increasing access to and engagement with treatment for people with opioid use disorder. This includes expanding outreach, contingency management, mobile delivery, and training and technical assistance for treatment providers. These MIDD dollars will also be used to fund youth-focused prevention and education services.

In addition to the proposed second omnibus Ordinance for operating and capital budgets, this transmittal package includes the following separate proposed legislative components and amendments.

Property Tax Ordinances – Included in this transmittal package are the proposed property tax Ordinances necessary to collect the 2024 property tax revenue supporting the proposed budget. The proposed 2024 property tax Ordinances are provided as part of the mid-biennium second omnibus Ordinance in 2023. The Office of Performance, Strategy and Budget (PSB) staff will work with Council staff in the coming weeks to ensure final numbers are included in these Ordinances once that information is received from the Assessor.

King County Sheriff's Office (KCSO) Fee Ordinance – Consistent with the authority granted in Revised Code of Washington (RCW) 42.56.240(14), this proposed Ordinance would implement a fee of \$55 per hour for KCSO staff time spent redacting video for public disclosure release. This fee will be charged to third-party requesters of KCSO body-worn camera video. Notably, people involved in an incident will not be charged a fee for redaction and may request video of the incident free of charge.

Department of Judicial Administration (DJA) Proposed Fee Ordinances – Three DJA fees increases are proposed, requiring King County Code changes. DJA states that the requested increases are in line with rising costs and are not expected to be a significant barrier for customers.

1. Increase the e-working copies fee from \$30 to \$40 for an estimated revenue increase of \$420,000 annually. This electronic service is entirely optional. Parties may also submit working copies free of charge either in person or via the US Mail.
2. Increase the expedited services fee for records access (document orders and audio recordings) from \$30 to \$40 for an estimated revenue increase of \$50,000 annually. Most often, this fee is paid by attorneys seeking documents and hearings on an expedited timeline for their convenience.
3. Increase the fee for continuing legal education program from \$200 to \$250 for an estimated revenue increase of \$2,500 annually. This class is primarily taken by attorneys and paralegals and allows attorneys to earn credits to meet their Continuing Legal Education (CLE) requirement.

Medical Examiner's Office (MEO) Fee Ordinance – The MEO charges a disposition authorization (DA) fee to review every death to determine whether the circumstances surrounding each death in King County warrant further investigation or invocation of the Medical Examiner's jurisdiction prior to authorizing cremation or burial. Since 2017, annual deaths in King County have increased by 17 percent from 14,991 to 17,470. Over the same period, the MEO jurisdictional cases have increased 49 percent, from 2,436 cases in 2017 to 3,633 cases in 2022. In 2024, MEO is on track to see an additional 12 percent increase in cases. The MEO reviewed 16,972 DAs in 2022, compared to 13,000 in 2016. To address increasing operational costs and workload, MEO proposes increasing the DA fee from \$70 to \$100. At the proposed \$100 fee, the DA fee is projected to realize \$525,000 in additional revenue, assuming 17,500 DA reviews per year.

Metro Transit Department – Increase Limit on Waiving and Discounting Fares – This proposed Ordinance would adopt a one-year increase to the limit of lost revenue from

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waiving or discounting Metro Transit fares. With implementation of free fares for the MLB All-Star Game in July 2023, Metro Transit expects to exceed the existing \$350,000 annual lost revenue limit set by King County Code 4A.700.610.

Bond Funding Amendment – A proposed amendment to Ordinance 19624 is included that would, if enacted, add projects identified as requiring bond funding during the current biennium. These additional projects include the property tax accounting system; King County Information Technology multifactor authentication project; Department of Adult and Juvenile Detention data warehouse project; and King County Sheriff's Office helicopter acquisition projects. To accommodate the financing of these projects, the not-to-exceed principal amount of the bond authorization is proposed to be amended to \$722 million.

Fund Creation Ordinance – Crises Care Center Levy – This proposed Ordinance would establish a new fund to manage all Crisis Care Center revenues and expenses within the Department of Community and Human Services.

I certify that funds are available.

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

Sincerely,



Dow Constantine
King County Executive

Enclosures

cc: King County Councilmembers
ATTN: Stephanie Cirkovich, Chief of Staff
Melani Hay, Clerk of the Council
Karan Gill, Chief of Staff, Office of the Executive
Penny Lipsou, Council Relations Director, Office of the Executive
Dwight Dively, Director, Office of Performance, Strategy and Budget