

*Distributed @ 12/1/04 BFM mtg,  
by Rick Medved*

November 9, 2004

The Honorable Larry Phillips  
Chair, King County Council  
Room 1200  
COURTHOUSE

Dear Councilmember Phillips:

The attached ordinance, if approved, will provide \$567,634 to the Department of Assessments (DOA) to cover cost over expenditures incurred during the 2004 budget year. At the request of the Council, I am transmitting this request as a stand-alone ordinance.

#### **BASIS FOR SUPPLEMENTAL REQUEST**

The need for a supplemental budget request within the DOA is the result of a fundamental problem that exists within the ARMS financial reporting system and underscores the need for its replacement. It is difficult and problematic to manage budgets within this system with any degree of accuracy. While this budget year yielded a shortfall, the management problem has been manifesting itself for the past several years in other ways. Since the 2000 budget year the DOA has under spent its budget over the last five years by an aggregate of \$2,346,516 (including the budget year 2004 over expenditure). The 2000 budget year alone yielded an under expenditure of \$1,549,756 and the amount of variance in actual expenditures compared to budget has wildly fluctuated each year. It has become more cumbersome and difficult to effectively utilize this financial reporting system.

#### **COMPONENTS OF THE SUPPLEMENTAL**

A majority of the \$567,634 supplemental request is the result of projected expenditure shortfalls in the department salaries and benefits category.

#### **IMPLICATIONS FOR 2005**

There will be negligible impacts on the 2005 DOA budget based upon corrective actions already being undertaken by the department. Included in the corrective actions is some re-organizing designed to ease the need for support staff overtime.

The Honorable Larry Phillips  
November 9, 2004  
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I urge the Council's support of this important supplemental budget request. Please contact Rich Medved in the Department of Assessments at (206) 296-5113, or Steve Call, Director, Office of Management & Budget, at (206) 296-3434 if you have any questions.

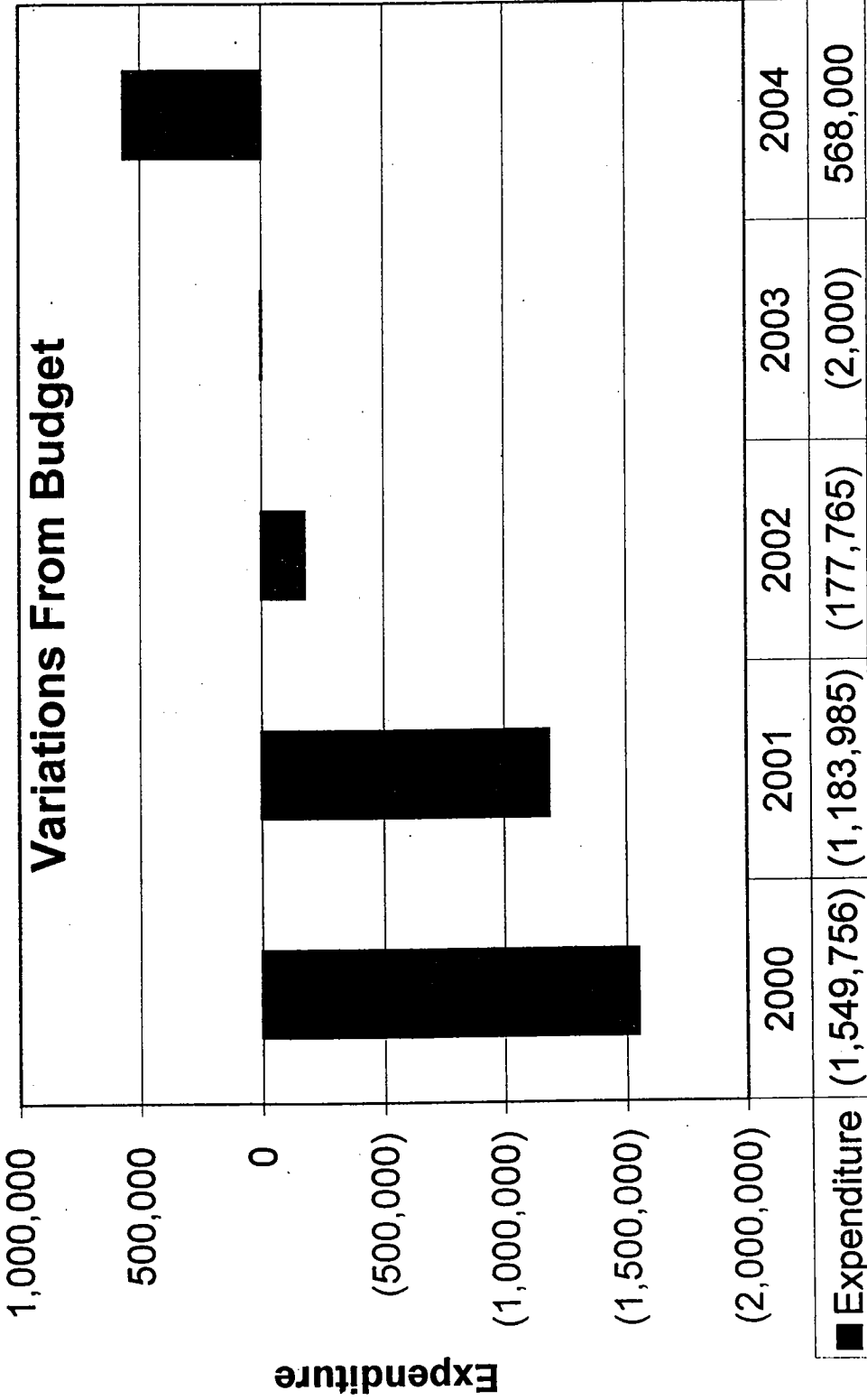
Sincerely,

Ron Sims  
King County Executive

Enclosures

cc: King County Council  
ATTN: David deCourcy, Chief of Staff  
Shelley Sutton, Policy Staff Director  
Rebecha Cusack, Lead Staff, BFM Committee  
Clifton Curry, Legislative Analyst  
Anne Noris, Clerk of the Council  
Steve Call, Director, Office of Management & Budget  
Beth Goldberg, Budget Supervisor, Office of Management & Budget

### Variations From Budget



Net under expenditure over the last five years was \$2,346,516

## **INFORMATION TECHNOLOGY AND THE ASSESSOR'S OFFICE**

### **"A SUCCESS STORY"**

The successful utilization of technology has allowed the Assessor's Office to excel. Our efficiency, effectiveness, and responsiveness have been recognized accomplishments despite a long period of fiscal austerity.

We have:

- Won two International awards for distinguished performance and accomplishment, unprecedented in King County's history.
- More than doubled productivity (+120%) while reducing staff by 34 FTE's (-12%) since taking office.
- Achieved the lowest cost per capita in the entire United States for large market value assessment jurisdictions.
- Been recognized as the "national model" by the International Association of Assessing Officers for mass appraisal process performance and transparency.

Technology and its effective use has always been our cornerstone for fairness. To achieve fairness through accountability we have the necessary and mandated proprietary technology system for mass appraisal and administration. This system is consistent with the decentralized nature of King County government operations as well as consistent with the pace of private industry and the global economy. The Assessor's Office also has placed heavy emphasis on system compatibility, use of standard industry practices and products from local technology industry leaders, and interagency coordination as a King County team player.

With a talented staff, willing to learn and excel, we have delivered on our state-mandated duties with higher customer satisfaction, despite an ever-growing workload with fewer FTE's. This ongoing result is an outstanding grade on the ultimate test of any technology – return on investment.

One last observation: in developing new ways of doing things and improving customer service, our environment has changed beneath us and raised the expectations of our constituents. It is said once you are on that treadmill; you know you have been successful. Our detailed technology plans, dedicated staff, and hard work have gained us the distinguished reputation of being on that treadmill, and a success story.

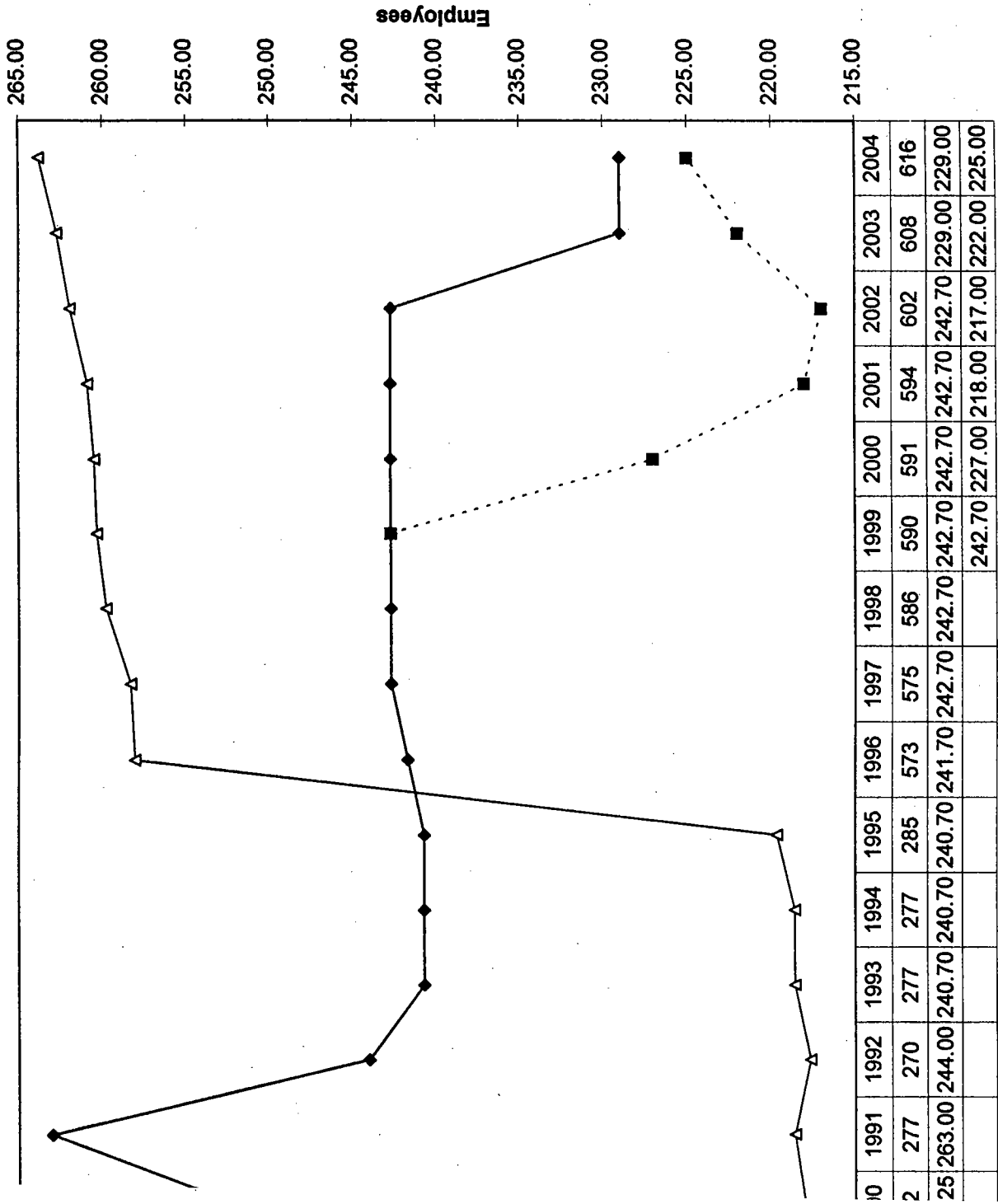
Thank you for your time and consideration.

All the best regards and respects,



Scott Noble  
King County Assessor

**Productivity & Efficiency**





**King County**


Office of Information Resource Management  
700 Fifth Avenue, Suite 1800  
Seattle, Washington 98104-5002

(206)263-4230 FAX (206) 263-4834

**MEMORANDUM**

Date: July 15, 2002.

To: Honorable Scott Noble, King County Assessor

From: David S. Martinez, Chief Information Officer 

RE: King County Strategic Technology Plan

Thank you for your letter of June 21, 2002. I appreciate very much the time you've taken to review the Strategic Technology Plan and for the valuable feedback you provided. I also appreciate the perspective of your department with respect to operational authority of technology systems and resources.

The documentation you provided related to prior agreements between your office and the Executive's representatives on the roles and responsibilities for technology management and operations was helpful for me to understand. I have not been involved in nor heard of any plans in the near term to revisit or modify those agreements. If any changes are to occur, it will be done in full collaboration between the Executive and your office and the State of Washington's Department of Revenue to ensure concurrence on the level of resources available to carry out your office's mandated functions.

Please be assured that Executive Sims supports the business needs and goals of your office and will continue to honor the prior agreements made between your office and the Department of Information and Administrative Services (which is now part of Department of Executive Services) back in 1996. Furthermore, please rest assured that any information technology initiatives based on the Strategic Technology Plan that may be proposed for funding will not compromise the ability of your office to deliver on your legal mandates.

As King County makes decisions on priorities within the scarce economic resources available, we expect all the electorate of the County will likely need to consider alternatives that will have varying degrees of impact on the ability to deliver the quality of services we believe the public expects and deserves. We appreciate your support of

working together on a balanced alignment of technology systems within King County that will meet with state approval.

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I look forward to your support of the Strategic Technology Plan in the August 21 meeting of the Strategic Advisory Council.

Please let me know if you would like to meet to discuss any questions you may have regarding the above.

cc: The Honorable Ron Sims, King County Executive  
The Honorable Dow Constantine, Chair, Labor, Technology & Government  
Operations Committee  
Cal Hoggard, Chief of Staff, King County Executive Office  
Sheryl Whitney, Assistant County Executive  
Rod Brandon, Assistant County Executive  
Steve Call, Director, Office of Budget  
Paul Tanaka, County Administrative Officer

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King County  
Department of Assessments  
King County Administration Bldg.  
500 Fourth Avenue, Room 708  
Seattle, WA 98104-2384

(206) 296-5195 FAX (206) 296-0595  
Email: [assessor.info@metrokc.gov](mailto:assessor.info@metrokc.gov)  
[www.metrokc.gov/assessor/](http://www.metrokc.gov/assessor/)

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Scott Noble  
Assessor

MEMORANDUM

Date: June 21, 2002

To: David Martinez, King County Chief of Information Officer

From: Scott Noble, King County Assessor

Subject: Strategic Technology Plan

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I am pleased to provide you with comments related to the Strategic Technology Plan with pertinent enclosures detailing our existing formal agreement between your office and the Department of Assessments. Other enclosures detail the background for this agreement along with pertinent items of the operational oversight role of the State of Washington Department of Revenue regarding the King County Department of Assessments.

I am prepared to support the 2002 King County Strategic Technology Plan given continued adherence to our existing agreement (enclosure 1). This agreement "clarifies the roles and responsibilities of each agency under the auspices of the King County Information Technology Strategic Plan of January 1996 and its successors" (emphasis added). Further, the agreement "supports Assessments retaining appropriate operational authority over its systems". "This includes servers, data base management systems, and personnel who shall remain in the department." Additionally, as a Statement of Fact, the agreement states "The King County Assessor is legally mandated to ensure the integrity of the Parcel Data Base", and that "no provision in this Agreement shall be construed as weakening that authority and responsibility". Details of this legal mandate are contained in our agreement in enclosure (2) and amplified by enclosure (5).

Appropriate operational authority of technology systems and resources in the Assessor's Office is further highlighted by enclosures (3) and (4), specifying the need for adequate resources to first, systematically revalue property and second, to add new construction. This letter, absent written confirmation from your office, constitutes formal notification (under Condition #5 of DOR revaluation plan approvals) to the State of Washington Department of Revenue that centralization/consolidation of technology systems, currently under the operational authority of the Department of Assessments, would substantively limit the implementation and successful completion of King County's revaluation plan. Should the Department of Revenue need to discuss this matter further I will contact you of this or any other intervention.

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We have sought, for over eight years now, an appropriate balance between the centralized systems of King County and the requirement for a decentralized system within the Department of Assessments (please see enclosure 6 for current correspondence). It is noteworthy that the Department of Assessments performs a definitive function for 165 taxing jurisdictions of King County. King County is but one district out of this total, which includes the State, EMS, Library District, Port of Seattle, 39 Cities, 20 School Districts, 28 Fire Districts, 3 Hospital Districts, and 5 Park and Recreation Districts. Due to the importance of the over \$2 Billion annual revenues to all these districts and the public services provided from this tax roll, I cannot abdicate final authority on how to maintain, upgrade, or prioritize technology systems necessary to fairly and equitably distribute property taxes. Additionally, this balance conforms to requirements of the King County Charter, which specifies the Department of Assessments shall not be combined with other executive departments or administrative offices. We firmly believe our agreement satisfactorily recognizes this balance.

Please advise me, in writing, of your intentions. I wish to confirm your department plans to still honor this agreement. Absent such confirmation, I cannot support nor vote yes on the 2002 King County Strategic Technology Plan, and would seek guidance from my State operational oversight agency.

I look forward to working with you on a balanced alignment of technology systems within King County, and will work hard to ensure our relationship in that regard meets with State of Washington Department of Revenue approval.

- Encl: (1) Interdepartmental Memorandum of Understanding dated September 4, 1996  
(2) Inter-Agency Memorandum of Understanding dated September 17, 1993  
(3) State of Washington Department of Revenue revaluation plan approval, dated December 7, 2000, for the 2001-2006 revaluation cycle  
(4) State of Washington Department of Revenue revaluation plan approval, dated July 26, 1995, for the 1995-2000 revaluation cycle  
(5) King County Assessor letter to the State of Washington Department of Revenue detailing parcel data base integrity addressed in enclosure (1) above  
(6) King County Assessor letter to the Technology Peer Review Panel dated October 12, 2000, regarding the need for a decentralized system for Assessment and tax roll purposes of 165 different and distinct taxing jurisdictions.

cc: Assessments Senior Management  
The Honorable Ron Sims, King County Executive  
The Honorable Dow Constantine, Chair, Metropolitan King County Council Technology Cmtee  
Cal Hoggard, King County Chief of Staff  
Rod Brandon, King County Assistant County Executive  
Janine Joly, King County Prosecuting Attorney's Office  
Will Rice, Acting Director, State of Washington Department of Revenue.  
Sandra Guilfoil, Assistant Director, Property Tax, State of Washington Department of Revenue

c:\words\sn\stragetictchplan



STATE OF WASHINGTON  
DEPARTMENT OF REVENUE

December 7, 2000

The Honorable Scott Noble  
King County Assessor  
500 Fourth Avenue, Room 708  
Seattle, Washington 98104-2384

Dear Mr. Noble:

I have completed the review of both your revaluation plan and the adjustment of inspection areas submitted on September 6, 2000, and updated under Memorandum dated October 3, 2000. After careful review, your revaluation plan is approved for the 2001-2006 revaluation cycle. Approval of your revaluation plan is subject to the following conditions:

1. **New Construction** -- Each year, all new construction is identified and placed on the assessment roll.
2. **Physical Inspections** -- Physical inspections shall meet the requirements of RCW 84.41.041, WAC 458-12-326, and WAC 458-12-339. The quality and comprehensiveness of your physical inspections should be such that: (1) all taxable property is listed and classified in a uniform manner, (2) adequate data from which to make accurate valuations is collected, (3) changes in physical characteristics which would affect value are recorded, and (4) properties are considered in their entirety including consideration for internal and external influences which might affect value.
3. **Complete Reappraisal** -- 100 percent of the parcels must be inspected and reappraised by the end of the revaluation cycle. Furthermore, operating under an annual revaluation cycle requires that during the intervals between each physical inspection of real property, the valuation of such property shall be adjusted to its current true and fair value based upon appropriate statistical data.
4. **Adequate Funding/Trained Staffing Levels** -- It is imperative that the assessor's office be adequately funded and appropriately staffed. If an assessor's office lacks the resources to systematically revalue property and add new construction, taxpayers are deprived of the uniformity of taxation clauses of the state constitution.
5. **Department Notification** -- The Department of Revenue should be notified if problems arise which could substantively limit the implementation and successful completion of your plan.

We support your efforts towards valuing property on a uniform and equitable basis and wish you the best of luck in the administration of your revaluation program.

If you have any questions or if I can be of any assistance, please call me at (360) 570-5862.

Sincerely,

Shawn D. Kyes  
Revaluation Specialist  
Property Tax Division

Property Tax Division

P O Box 47471 ♦ Olympia, Washington 98504-7471 ♦ (360) 570-5900 ♦ Fax (360) 586-7602



12  
RECEIVED  
SEP 04 1996

Interdepartmental Memorandum of Understanding  
Between the Department of Information and Administrative Services  
and the Department of Assessments

ASSESSMENT

Purpose

This Memorandum of Understanding (the "Agreement") between the Department of Information and Administrative Services ("DIAS") and the King County Department of Assessments ("Assessments") clarifies the roles and responsibilities of each agency under the auspices of the King County Information Technology Strategic Plan of January 1996 and its successors.

As King County moves forward on its Information and Technology strategic plan, the Department of Assessments seeks to fully implement the Assessors Technology Business plan. Both organizations seek to clarify their relationships.

It is DIAS plan to provide a more centralized and coordinated system which facilitates the sharing of appropriate information.

It is Assessments intent to fully implement its technology plan consistent with guidelines established and as approved by the Department of Revenue and as approved by the King County Council in the Departments 5 year plan.

Goals and Objectives

The primary goal governing this Agreement is the establishment of a Coordinated Technological Information System. This agreement can only succeed if both parties agree to cooperate fully. The development of a coordinated Technological Plan is a collaborative effort on the part of may agencies. This Agreement affirms the partnership that exists between Assessments and the Department of Information and Administrative Services in achieving this goal.

Both organizations agree a goal should be to seek open negotiations for the purchase of desired services with an acknowledgment that a baseline contribution needs to be clarified.

Both Assessments and the Department of Information and Administrative Services, support Assessments retaining appropriate operational authority over its systems. This includes servers, data base management systems, and personnel who shall remain in the department. Assessments will interface with the county technology infrastructure and will continue to utilize compatible standards and protocol.

Assessments supports the linking of E-mail systems to establish communication relationships and both agree that connectivity, synchronization, timing and changes require additional negotiations.

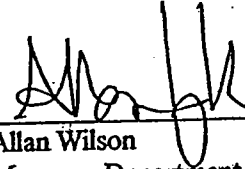
Statement of Fact

The King County Assessor is legally mandated to ensure the integrity of the Parcel Data Base. No provision in this Agreement shall be construed as weakening that authority and responsibility.

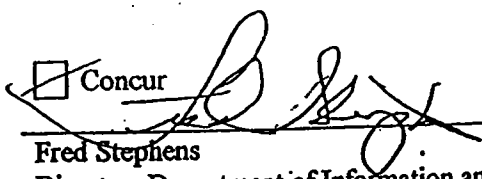
The Department of Information and Administrative Services is responsible for the implementation of the County's Technology Plan.



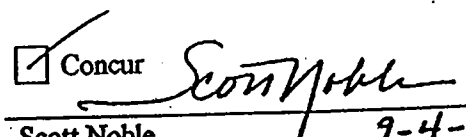
John Rowlands  
Manager, Information and  
Telecommunication Services



Allan Wilson  
Manager, Department of Assessments

Concur 

Fred Stephens  
Director, Department of Information and  
Administrative Services

Concur 

Scott Noble  
Assessor for the Department

9-4-96



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STATE OF WASHINGTON  
DEPARTMENT OF REVENUE

P.O. Box 47450 • Olympia, Washington 98504-7450 • (360) 753-5540 • FAX (360) 586-5543

July 26, 1995

The Honorable Scott Noble  
King County Assessor  
County Administration Building, Room 708  
500 Fourth Avenue  
Seattle, Washington 98104

Dear Mr. Noble:

I have completed the review of your proposed revaluation plan and approve it for the 1995-2000 revaluation period.

Approval of your revaluation plan is based on the following assumptions and subject to the listed conditions:

Assumptions

- 1) The 1995 assessment year will be used for development and integration of new hardware and software systems to be employed in the mass appraisal of residential and commercial properties. During this interim period, your office will direct its activities to: (1) systems development, testing, and implementation; (2) records conversion; and (3) staff training.
- 2) The new computer equipment and systems outlined in your technology plan will be acquired, installed, tested and in operation prior to the start of the 1996 assessment year.
- 3) Physical inspections shall meet the requirements of RCW 84.41.041, WAC 458-12-326, and WAC 458-12-339. The quality and comprehensiveness of your physical inspections should be such that: (1) all taxable property is listed, (2) adequate data from which to make accurate valuations is collected, (3) changes in physical characteristics which would affect value are recorded, and (4) properties are considered in their entirety including consideration for internal and external influences which might effect value.

Note, physical inspection level #4, "general neighborhood inspection", as outlined in your proposed plan does not meet the standard necessary to comply with state law.

- 4) Appraisal, assessment, and administrative software and hardware systems will be maintained by in-house personnel who possess sufficient experience in servicing operating systems within a mass appraisal environment.

Conditions

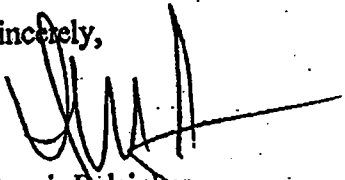
- 1) Identify and place all new construction on the assessment roll for 1995.
- 2) Provide for the annual revaluation of all properties beginning in 1996.
- 3) Complete inspection of 100% of the parcels by the end of the inspection cycle.
- 4) Provide for adequate support and maintenance of your hardware and software systems such that both the integrity of your statistical modeling capabilities and the ability to annually update all properties is maintained.
- 5) Notification of the Department if problems arise which could substantively limit the implementation and successful completion of your plan.
- 6) Submission to the Department of your appraisal procedures or operations manual once it has been developed.

Please note, failure to maintain these conditions would necessitate a review by the Department to determine the appropriateness of maintaining an annual revaluation cycle.

Last, the Department's approval of your plan does not constitute approval or disapproval of your adoption of USPAP standards.

We support your efforts towards valuing property on a uniform and equitable basis and wish you the best of luck in your transition to annual revaluation. If you have any questions or if I can be of any assistance, please call me at (360) 664-3173.

Sincerely,



Dennis Pulsipher  
Property Tax Specialist, Revaluation Program  
Property Tax Division

DP:kal

cc: Sandy Guilfoil

# INTER-AGENCY MEMORANDUM OF UNDERSTANDING

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between  
the Municipality of Metropolitan Seattle and the King County Department of Assessments

## DEVELOPMENT OF A DIGITAL PARCEL DATA BASE

### Purpose

This Memorandum of Understanding (the "Agreement") between the Municipality of Metropolitan Seattle ("Metro") and the King County Department of Assessments ("Assessments") specifies the roles and responsibilities of each agency under the auspices of the Coordinated Geographic Information System development project.

### Definitions

**Coordinated Geographic Information System:** The information system outlined in the King County Coordinated Geographic Information System Scoping Project, including the specified "core" data, software and hardware.

**Parcel Data Base:** A subset of all parcel data that includes only the spatial data and attribute data necessary for the Coordinated Geographic Information System.

**Proprietor:** The owner and administrator of the master copy of specific data.

### Goals and Objectives

The primary goal governing this Agreement is the establishment of a Coordinated Geographic Information System. Metro, as project manager, recognizes Assessments as a partner in this effort. Assessments, for its part, acknowledges Metro's pledge to bring the project to conclusion within the agreed budget, schedule and scope of work. This project can only succeed if both parties agree to cooperate fully. The development of a Coordinated Geographic Information System is a collaborative effort on the part of many agencies. This Agreement affirms the partnership that exists between Assessments and Metro in achieving this goal.

Circumstances change and agreements are temporal. Both parties enter into this Agreement acknowledging that their partnership can weather such changes. The primary purpose of this Agreement is not to exhaustively specify all nuances of the cooperative effort, but rather, to state clearly that both parties will work, to the best of their ability, for the common good.

### Statements of Fact

1. The King County Assessor is legally mandated to ensure the integrity of the Parcel Data Base. No provision in this Agreement shall be construed as weakening that authority and responsibility.
2. Because the King County Assessor is legally mandated to ensure the integrity of the Parcel Data Base, the King County Assessor has final responsibility for the parcel data created during the conversion process. This provision shall not be construed as compelling the King County Assessor to accept the parcel data until that data meets or exceeds the data specifications prepared by Assessments.
3. The King County Assessor has sole responsibility for making all modifications or updates to the Parcel Data Base.



4. The King County Assessor shall remain the Proprietor of the Parcel Data Base.
5. The King County Assessor has a significant interest in other information relating to tax assessment and appraisal. Specifically, recent legislation concerning comprehensive plans requires the Assessor to use the current applicable zoning code in appraising a given parcel.
6. Each party to this Agreement acknowledges that development of a Coordinated Geographic Information System is in the public interest, and that such a system cannot be successfully developed without the participation and cooperation of the other party.
7. No provision of this agreement shall be construed as weakening the agreement pertaining to parcel data maintenance which now exists between the Assessments and the Seattle Engineering Department.

**Cooperative Activities**

Assessments and Metro will work as full partners to achieve the goals and objectives stated in this Agreement. Both parties jointly agree to the responsibilities below:

<b>Tasks</b>	<b>Assessments</b>	<b>Metro</b>
Work cooperatively for the benefit of all users of the Coordinated Geographic Information System on the conversion and maintenance of the Parcel Data Base.	Joint	Joint
Work cooperatively on the hiring of a Parcel Project Manager. This task involves describing the duties and responsibilities of the position, selecting candidates to be interviewed for the position, sitting on the interview panel for this position, and selecting a candidate to be offered this position.	Joint	Joint
Work cooperatively on the selection of a contractor or contractors to perform tasks related to the creation of a Parcel Data Base. This task involves describing the products sought from the contractor, selecting prospective contractors, sitting on the interview panel for the contractor, and selecting a contractor to perform the work.	Joint	Joint
Will prepare the data specification for the Parcel Data Base for use in data base model development and data conversion. This includes the identification by Assessments of a data administrator to attend relevant courses provided by Metro.	Primary	Support
Will provide data base design documentation for the parcel attribute data.	Primary	
Will prepare the logical data model for the Parcel Data Base.	Support	Primary
Will develop a methodology for converting parcel data that meets the legal and business needs of Assessments.	Support	Primary
Will perform a pilot data conversion to test the proposed parcel data conversion methodology.	Support	Primary
Will endorse the proposed parcel data conversion methodology for fitness.	Primary	Support
Will develop an agreement to ensure adequate staffing to maintain the Parcel Data Base in an accurate and timely manner, to be signed at the successful conclusion of the pilot project and attached to this Agreement.	Joint	Joint
Will prepare parcel maps for the conversion process.	Primary	
Will convert the parcel data and perform data interpretation during the conversion process.	Joint	Joint

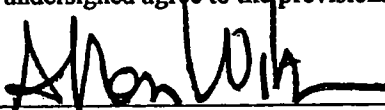
Will test converted parcel data for adherence to the quality standards specified as part of the data specification process and accept the data when the specifications are met or exceeded.	Primary	Support
Will provide training.		Primary
Attend Arc/Info training classes as needed.	Primary	
Attend training sessions presented by Metro or the City of Seattle in the use of Parcel Data Base maintenance tools.	Primary	
Will provide the automated tools (which will be based on work done by the City of Seattle) necessary to maintain the Parcel Data Base.	Support	Primary
Will provide the automated tools necessary to make the Parcel Data Base available to other users of the Coordinated Geographic Information System.	Support	Primary
Will provide updated parcel data from Assessments' data base server to the other users of the Coordinated Geographic Information System in a timely manner.	Primary	Support

**Modification or Termination**

1. The merger of King County and Metro, and the subsequent creation of the Department of Metropolitan Services shall not change this Agreement. All provisions applying to Metro will apply equally to the Department of Metropolitan Services. No specific actions need be taken by either party for the Agreement to continue in force for its stated term.
2. This Agreement will take effect upon the signing of this Memorandum, and remain in effect for five years. It may be extended or modified by mutual consent of Assessments and Metro. Amendments to this Agreement shall be written and attached to this Agreement, and will become effective upon signing by the signatories of this Agreement or their designees.
3. The Agreement may be terminated by either party by mutual agreement, or through written notice by either party, provided that a minimum of ninety days' advance notice of the intent to terminate is granted, and that termination of this agreement does not limit either party's access to the data base and maintenance tools existing at the time of termination.
4. This Agreement is subject to the laws of the State of Washington, the written policies of King County, the written policies of Metro, and any subsequent laws enacted or adopted by the State of Washington or King County.

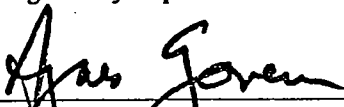
**Signatures**

The undersigned agree to the provisions of this Agreement.

  
 \_\_\_\_\_

Date 9-17-93

Allen Wilson, Manager, Program Planning Division  
King County Department of Assessments

  
 \_\_\_\_\_

Date 9/17/93

Agnes Govern, Manager, Information Systems Division  
Municipality of Metropolitan Seattle