October 13, 2015

The Honorable Larry Phillips

Chair, King County Council

Room 1200

C O U R T H O U S E

Dear Councilmember Phillips:

The attached proposal amends Title 4A.200 to designate the Environmental Health Fund as a tier 1, or interest-accruing account. An estimated $50,000 of annual interest income could support environmental health policy research and development to keep King County abreast of emerging environmental health issues. These funds could also cover some of the indirect costs of workforce development and training thus reducing burden on rates and fees charged to customers.

As part of the 2015-2016 Budget, an ordinance was passed establishing a new Environmental Health Fund to separate fee-supported revenue from the Public Health Fund:

**Environmental Health Fee** – This ordinanceestablishes the Environmental Health (EH) Fund and revises the Emergency Medical Services (EMS) fund to include revenue from grant and entrepreneurial programs. The EH program receives revenue from fees and other independent sources that are currently collected in the Public Health Fund. Segregating EH funds into an independent fund will increase transparency and improve financial management of the Public Health Fund in accordance with recommendations from the King County Auditor’s Office.

Environmental Health services are 97% fee supported through the sale of annual operating permits for food businesses, water recreation facilities, solid waste facilities, and pet-related businesses. Permit revenue is held in the Environmental Health account to pay for services that are provided over the period of time established by the permit. In some cases such as large construction projects, this can be over several years.

Environmental health services for King County are foundationally important to the public's health and related environmental impacts. The Environmental Health Services Division in Public Health has implemented numerous process improvements over the last ten years to increase efficiency and keep costs low. Our efforts for greater efficiencies and better access for customers continues, aligning with the County's Strategic Plan goal on Service Excellence. This proposal also aligns with the County's Strategic Plan regarding financial stewardship and quality workforce.

Thank you for your consideration of this ordinance. This legislation will create additional revenue to support crucial Environmental Health services for King County residents.

If you have any questions, please feel free to contact Christopher McGowan, Financial Services Manager, Public Health – Seattle & King County, 206-263-1408.

Sincerely,

Dow Constantine

King County Executive

Enclosures

cc: King County Councilmembers

ATTN: Carolyn Busch**,** Chief of Staff

Anne Noris, Clerk of the Council

Carrie S. Cihak, Chief of Policy Development, King County Executive Office

Dwight Dively, Director, Office of Performance, Strategy and Budget, KCEO

Christopher McGowan, Financial Services Manager, Public Health – Seattle & King

County