



King County
Metropolitan King County Council
Budget and Fiscal Management Committee
General Government Issues
Tuesday, October 9, 2018 – 9:30 A.M.

*Councilmembers: Dave Upthegrove, Chair; Kathy Lambert, Vice Chair;
Claudia Balducci, Rod Dembowski, Reagan Dunn, Larry Gossett, Jeanne Kohl-Welles,
Joe McDermott and Pete von Reichbauer*

*Wendy Soo Hoo, Council Staff
Andrew Kim, Council Staff
Sharon Daly, Committee Assistant*

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Briefing on Proposed 2019-2020 Biennial Budget – General Government Budgets		
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Analyst:	Wendy K. Soo Hoo
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COUNTY COUNCIL

BUDGET TABLE

	2017-2018 Revised*	2019-2020 Proposed	% Change 2017-2018 v. 2019-2020
Budget Appropriation	\$3,691,026	\$3,907,000	5.8%
Max FTEs:	9.0	9.0	0.0%
Max TLTs:	0.0	0.0	N/A
Estimated Revenues	N/A	N/A	N/A
Major Revenue Sources	General Fund		
* Note: 2017-2018 Revised includes the 2017-2018 Adopted Budget plus adopted supplementals (as of transmittal of the Executive's proposed 2019-2020 budget) less one-time 2017-2018 expenditures.			

PROGRAM DESCRIPTION AND PURPOSE

The County Council's role is to guide provision of regional services to county residents by all departments and agencies through setting policies, enacting laws, and adopting budgets. The Council also oversees the County's independent agencies.

SUMMARY OF PROPOSED BUDGET AND CHANGES

The County Council appropriation unit reflects the nine elected councilmembers' salaries and benefits. The 5.8 percent proposed increase for the 2019-2020 biennium reflects a status quo budget with the only change resulting from an adjustment in central rates (such as facilities and information technology rates) of approximately \$53,000.

KEY ISSUES

Staff has identified no key issues.

Analyst:**Wendy K. Soo Hoo****COUNCIL ADMINISTRATION****BUDGET TABLE**

	2017-2018 Revised*	2019-2020 Proposed	% Change 2017-2018 v. 2019-2020
Budget Appropriation	\$30,870,512	\$34,222,000	10.8%
Max FTEs:	99.1	99.1	0.0%
Max TLTs:	0.0	0.0	N/A
Estimated Revenues	N/A	N/A	N/A
Major Revenue Sources	General Fund overhead model		
* Note: 2017-2018 Revised includes the 2017-2018 Adopted Budget plus adopted supplementals (as of transmittal of the Executive's proposed 2019-2020 budget) less one-time 2017-2018 expenditures.			

PROGRAM DESCRIPTION AND PURPOSE

The Council Administration includes the Council's central and administrative staff, including policy staff, legal counsel, and the Clerk of the Council. The Council Administration collectively supports the Council through development and analysis of proposed legislation, conducting special studies, handling legal and policy issues, and providing administrative and technical support.

SUMMARY OF PROPOSED BUDGET AND CHANGES

The Council Administration budget is proposed to increase by 10.8 percent from \$30.9 million to \$34.2 million for the 2019-2020 biennium, which includes annualized supplemental changes and increases in the personnel budget to 2019-2020 rates. The only other changes proposed for the Council Administration budget are adjustments to central rates, such as facilities and information technology rates, which represent a total \$924,000 increase.

KEY ISSUES

Staff has identified no key issues.

Analyst:

Wendy K. Soo Hoo

HEARING EXAMINER

BUDGET TABLE

	2017-2018 Revised*	2019-2020 Proposed	% Change 2017-2018 v. 2019-2020
Budget Appropriation	\$1,133,376	\$1,267,000	11.7%
Max FTEs:	3.0	3.0	0.0%
Max TLTs:	0.0	0.0	N/A
Estimated Revenues	N/A	N/A	N/A
Major Revenue Sources	General Fund (with partial support from General Fund overhead)		
* Note: 2017-2018 Revised includes the 2017-2018 Adopted Budget plus adopted supplementals (as of transmittal of the Executive's proposed 2019-2020 budget) less one-time 2017-2018 expenditures.			

PROGRAM DESCRIPTION AND PURPOSE

The King County Hearing Examiner is appointed by the King County Council to provide a public hearing process for land use and other critical issues. The Hearing Examiner conducts hearings on certain types of land use applications and on appeals of county administrative orders and decisions. The Hearing Examiner issues formal decisions or makes recommendations to the County Council on the matters heard.

SUMMARY OF PROPOSED BUDGET AND CHANGES

The Hearing Examiner appropriation unit is proposed to increase by 11.7 percent from \$1.1 million to \$1.3 million, which represents a status quo budget. The increase reflects annualization of supplemental changes and an increase in the personnel budget to 2019-2020 rates. The only other change is a \$8,300 adjustment to central rates (such as facilities and information technology rates).

KEY ISSUES

Staff has identified no key issues.

Analyst:	Wendy K. Soo Hoo
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COUNTY AUDITOR

BUDGET TABLE

	2017-2018 Revised*	2019-2020 Proposed	% Change 2017-2018 v. 2019-2020
Budget Appropriation	\$4,737,873	\$5,273,000	11.3%
Max FTEs:	17.3	17.3	N/A
Max TLTs:	0.0	0.0	N/A
Estimated Revenues	N/A	N/A	N/A
Major Revenue Sources	General Fund overhead model plus additional revenue from individual capital projects		
* Note: 2017-2018 Revised includes the 2017-2018 Adopted Budget plus adopted supplementals (as of transmittal of the Executive's proposed 2019-2020 budget) less one-time 2017-2018 expenditures.			

PROGRAM DESCRIPTION AND PURPOSE

The County Auditor conducts audits and studies and provides capital project oversight to ensure accountability and transparency, improve service delivery, and identify potential cost savings in County government.

SUMMARY OF PROPOSED BUDGET AND CHANGES

The County Auditor's budget is proposed to increase 11.3 percent from \$4.7 million in 2017-2018 to \$5.3 million in 2019-2020. The only changes in the Auditor's Office budget are adjustments related to costs charged to capital projects, as well as adjustments in central rates.

KEY ISSUES

Staff has identified no key issues.

Analyst:	Wendy K. Soo Hoo
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KING COUNTY CIVIC TELEVISION

BUDGET TABLE

	2017-2018 Revised*	2019-2020 Proposed	% Change 2017-2018 v. 2019-2020
Budget Appropriation	\$1,537,192	\$1,379,000	-10.3%
Max FTEs:	5.0	5.0	N/A
Max TLTs:	0.0	0.0	N/A
Estimated Revenues	N/A	N/A	N/A
Major Revenue Sources	General Fund overhead model		
* Note: 2017-2018 Revised includes the 2017-2018 Adopted Budget plus adopted supplementals (as of transmittal of the Executive's proposed 2019-2020 budget) less one-time 2017-2018 expenditures.			

PROGRAM DESCRIPTION AND PURPOSE

King County Civic Television (KCTV) is the government access channel for King County, providing live and taped coverage of County Council meetings and public forums, King County news events, and original programming to highlight County issues and services.

SUMMARY OF PROPOSED BUDGET AND CHANGES

The KCTV budget is proposed to decrease by 10.3 percent from \$1.5 million in 2017-2018 to \$1.4 million in 2019-2020. The decrease is driven by a reduction in central rate charges.

KEY ISSUES

Staff has identified no key issues.

Analyst:	Wendy K. Soo Hoo
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BOARD OF APPEALS

BUDGET TABLE

	2017-2018 Revised*	2019-2020 Proposed	% Change 2017-2018 v. 2019-2020
Budget Appropriation	\$1,805,755	\$1,924,000	6.5%
Max FTEs:	4.0	4.0	N/A
Max TLTs:	0.0	0.0	N/A
Estimated Revenues	N/A	N/A	N/A
Major Revenue Sources	General Fund		
* Note: 2017-2018 Revised includes the 2017-2018 Adopted Budget plus adopted supplementals (as of transmittal of the Executive's proposed 2019-2020 budget) less one-time 2017-2018 expenditures.			

PROGRAM DESCRIPTION AND PURPOSE

The Board of Appeals/Equalization is an independent body comprised of seven citizen members organized to adjudicate property value and other determinations made by the County Assessor, as well as various business license decisions and animal control orders.

SUMMARY OF PROPOSED BUDGET AND CHANGES

The Board of Appeals/Equalization budget is proposed to increase by 6.5 percent, which represents a status quo budget. The increase reflects annualization of supplemental changes and an increase in the personnel budget to 2019-2020 rates. The only other change is a \$31,000 adjustment to central rates (such as facilities and information technology rates).

KEY ISSUES

Staff has identified no key issues.

Analyst:	Wendy K. Soo Hoo
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OFFICE OF LAW ENFORCEMENT OVERSIGHT

BUDGET TABLE

	2017-2018 Revised*	2019-2020 Proposed	% Change 2017-2018 v. 2019-2020
Budget Appropriation	\$1,825,257	\$2,684,000	47.0%
Max FTEs:	5.0	7.0	40.0%
Max TLTs:	0.0	0.0	N/A
Estimated Revenues	N/A	N/A	N/A
Major Revenue Sources	General Fund		
* Note: 2017-2018 Revised includes the 2017-2018 Adopted Budget plus adopted supplementals (as of transmittal of the Executive's proposed 2019-2020 budget) less one-time 2017-2018 expenditures.			

PROGRAM DESCRIPTION AND PURPOSE

The Office of Law Enforcement Oversight (OLEO) provides civilian oversight of the King County Sheriff's Office. OLEO monitors ongoing investigations of misconduct, helps resolve cases, implements methods for increasing the level of public trust and transparency, and identifies systemic issues within the Sheriff's Office.

SUMMARY OF PROPOSED BUDGET AND CHANGES

OLEO's proposed budget for 2019-2020 represents a 47 percent increase over 2017-2018. This is due to the addition of two FTEs, bringing the total staffing from 5.0 FTEs to 7.0 FTEs. The two positions proposed to be added are an office manager and a managing director.

KEY ISSUES

Staff has identified no key issues.

Analyst:	Wendy K. Soo Hoo
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CHARTER REVIEW COMMISSION SUPPORT

BUDGET TABLE

	2017-2018 Revised*	2019-2020 Proposed	% Change 2017-2018 v. 2019-2020
Budget Appropriation	\$751,506	\$236,000	-68.6%
Max FTEs:	0.0	0.0	N/A
Max TLTs:	2.0	1.0	-50.0%
Estimated Revenues	N/A	N/A	N/A
Major Revenue Sources	General Fund		
* Note: 2017-2018 Revised includes the 2017-2018 Adopted Budget plus adopted supplementals (as of transmittal of the Executive's proposed 2019-2020 budget) less one-time 2017-2018 expenditures.			

PROGRAM DESCRIPTION AND PURPOSE

The King County Charter requires the formation of a Charter Review Commission at least once every 10 years. The commission members are appointed by the Executive and confirmed by the Council. The current commission was convened in July 2018.

SUMMARY OF PROPOSED BUDGET AND CHANGES

The Charter Review Commission budget is proposed to decrease from \$751,506 in 2017-2018 to \$236,000 in 2019-2020. The decrease is because the Charter Review Commission's work will be completed in 2018, so the funding for staff support will no longer be needed.

KEY ISSUES

Staff has identified no key issues.

Analyst:	Wendy K. Soo Hoo
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OMBUDS/TAX ADVISOR

BUDGET TABLE

	2017-2018 Revised*	2019-2020 Proposed	% Change 2017-2018 v. 2019-2020
Budget Appropriation	\$3,061,193	\$3,937,000	28.6%
Max FTEs:	11.0	11.0	0.0%
Max TLTs:	0.0	0.0	N/A
Estimated Revenues	\$155,000	\$318,149	205.3%
Major Revenue Sources	General Fund overhead model and Transit funds		
* Note: 2017-2018 Revised includes the 2017-2018 Adopted Budget plus adopted supplementals (as of transmittal of the Executive's proposed 2019-2020 budget) less one-time 2017-2018 expenditures.			

PROGRAM DESCRIPTION AND PURPOSE

The Ombuds/Tax Advisor investigates citizen complaints against County agencies and makes recommendations for resolution and improvements. These responsibilities include investigating alleged violations of the Employee Code of Ethics, the Lobbyist Disclosure Code, and employee complaints of improper governmental action and retaliation pursuant to the Whistleblower Protection Code. The Tax Advisor section answers inquiries about County real estate taxation and property valuations, and advises property owners considering a valuation appeal.

SUMMARY OF PROPOSED BUDGET AND CHANGES

The Ombuds/Tax Advisor budget is proposed to increase about \$900,000 or 28.6 percent in 2019-2020. The largest factor in the increase is the addition of 1.0 FTE backed by Metro Transit funds to support transit-related citizen complaints. This position was added by the Council in November 2017 (Ordinance 18602). In addition, central rates are proposed to increase \$334,000 as the Ombuds/Tax Advisor has moved into leased space.¹

KEY ISSUES

Staff has identified no key issues.

¹ The Ombuds-Tax Advisor's space costs in the King County Courthouse were previously budgeted in Council Administration.

Analyst:	Wendy K. Soo Hoo
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FEDERAL LOBBYING

BUDGET TABLE

	2017-2018 Revised*	2019-2020 Proposed	% Change 2017-2018 v. 2019-2020
Budget Appropriation	\$520,000	\$560,000	7.6%
Max FTEs:	0.0	0.0	N/A
Max TLTs:	0.0	0.0	N/A
Estimated Revenues	N/A	N/A	N/A
Major Revenue Sources	General Fund overhead model		
* Note: 2017-2018 Revised includes the 2017-2018 Adopted Budget plus adopted supplementals (as of transmittal of the Executive's proposed 2019-2020 budget) less one-time 2017-2018 expenditures.			

PROGRAM DESCRIPTION AND PURPOSE

This appropriation unit supports King County's federal lobbying efforts. The appropriation unit contains no staff and is used to fund lobbyists working on contract in support of the County's Federal Agenda.

Each year the Council and Executive create a federal legislative agenda that touches on the goals of the King County Strategic Plan, including Mobility, Safety and Justice, Healthy Environment, Accessible Affordable Housing and an Efficient, Accountable Regional and Local Government. Additionally, many federal legislative agenda items affect programs that target at-risk populations and prioritize determinants of equity such as safety, health, housing, transportation, and environmental issues.

SUMMARY OF PROPOSED BUDGET AND CHANGES

The County's proposed federal lobbying budget is proposed to increase 7.6 percent in 2019-2020 to accommodate projected inflation.

KEY ISSUES

Staff has identified no key issues.

Analyst:	Wendy K. Soo Hoo
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**COUNTY EXECUTIVE, OFFICE OF THE EXECUTIVE AND
OFFICE OF PERFORMANCE, STRATEGY & BUDGET**

BUDGET TABLE

	2017-2018 Revised*	2019-2020 Proposed	% Change 2017-2018 v. 2019-2020
County Executive	\$583,021	\$618,000	6.0%
Max FTEs:	1.0	1.0	N/A
Max TLTs:	0.0	0.0	N/A
Office of the Executive	\$10,001,693	\$10,455,000	4.5%
Max FTEs:	25.0	24.0 ²	-4.0%
Max TLTs:	0.0	0.0	N/A
Performance, Strategy and Budget	\$21,534,257	\$25,774,000	19.7%
Max FTEs:	60.0	61.6	2.7%
Max TLTs:	0.0	0.0	N/A
Combined Appropriations	\$32,118,971	\$36,847,000	14.7%
Max FTEs:	86.0	86.6	0.7%
Max TLTs:	0.0	0.0	N/A
Estimated Revenues	N/A	N/A	N/A
Major Revenue Sources	General Fund or General Fund overhead model		
* Note: 2017-2018 Revised includes the 2017-2018 Adopted Budget plus adopted supplementals (as of transmittal of the Executive's proposed 2019-2020 budget) less one-time 2017-2018 expenditures. 2. One coordinator FTE is proposed to move from the Office of the Executive to PSB.			

PROGRAM DESCRIPTION AND PURPOSE

This staff report includes the three Executive office appropriations.

County Executive

This appropriation represents the County Executive's salary and related expenditures.

Office of the Executive

The Office of the Executive reviews departments' work and develops policy options and strategic initiatives to assist the Executive and departments in fulfilling their missions. This office assists the Executive in implementing policy set by the County.

Office of Performance, Strategy and Budget

The Office of Performance, Strategy and Budget (PSB) is responsible for preparing the County's operating and capital budgets, managing the implementation of these budgets during the year, coordinating performance management and accountability, and providing guidance on strategic planning. PSB shapes the development and implementation of countywide systems, resources and plans to achieve the goals of the

County and the Executive. Additionally, this office houses teams addressing regional planning, continuous improvement, and criminal justice policy.

SUMMARY OF PROPOSED BUDGET AND CHANGES

The combined appropriations for the County Executive, Office of the Executive and Office of Performance, Strategy and Budget (PSB) are proposed to increase 14.7 percent.

In addition, PSB's proposed budget includes a one-time request of \$200,000 to support electronic dashboards to replace the physical tier boards PSB uses to track performance measures and projects. Because PSB is in the General Fund overhead model, approximately \$60,000 of the request would be backed by the General Fund and \$140,000 would be backed by other funds.

The proposed budget for PSB would also include a one-time cost of \$230,000 to support temporary staff to catalog customer service measurement efforts across departments, implement minimum standards, and develop a countywide reporting system. According to Executive staff, this request is intended to build a reporting system to make customer service data more useful to departments and provide central oversight and guidance. About \$70,000 of this request would be supported by the General Fund and the remaining \$160,000 would be supported by other funds.

Also noteworthy is a \$100,000 one-time request to retain a consultant to support a project focused on improving Involuntary Treatment Act (ITA) Court operations in collaboration with Superior Court, the Prosecuting Attorney's Office, the Department of Public Defense, the Office of the Executive, Facilities Management, and the Department of Community and Human Services. The PSB Director indicated that Council representatives would be welcome to participate in this process. The consultant's work is expected to be completed in 2019. Of note, the Behavioral Health budget staff report includes details on the proposed increase of funding for ITA Court for this biennium.

Lastly, PSB proposes to add 1.0 FTE and \$304,000 to support ongoing communications work related to budget, business planning and performance management. This is an existing body of work that was previously absorbed and funded with budget savings. About \$90,000 would be funded by the General Fund with the remainder funded by other funds.

KEY ISSUES

Staff have identified no key issues.

Analyst:	Wendy K. Soo Hoo
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INTERNAL SUPPORT

BUDGET TABLE

	2017-2018 Revised*	2019-2020 Proposed	% Change 2017-2018 v. 2019-2020
Budget Appropriation	\$43,021,995	\$43,383,000	0.01%
Max FTEs:	0.0	0.0	N/A
Max TLTs:	0.0	0.0	N/A
Estimated Revenues	N/A	N/A	N/A
Major Revenue Sources	General Fund		
* Note: 2017-2018 Revised includes the 2017-2018 Adopted Budget plus adopted supplementals (as of transmittal of the Executive's proposed 2019-2020 budget) less one-time 2017-2018 expenditures.			

PROGRAM DESCRIPTION AND PURPOSE

The Internal Support appropriation unit includes charges that are paid centrally on behalf of General Fund agencies. For example, the costs associated with providing a Metro Transit bus pass for employees in General Fund departments are budgeted in Internal Support.

SUMMARY OF PROPOSED BUDGET AND CHANGES

The Internal Support appropriation is proposed to increase 0.01 percent in 2019-2020, from \$43.0 million to \$43.4 million. The only increase other than inflationary adjustments is a \$150,000 charge for the Department of Local Services (DLS) cost allocation.²

KEY ISSUES

Staff has identified no key issues.

² The Internal Support appropriation also includes base budget funding of approximately \$565,000, which previously supported the Community Services Areas program and would instead go towards the DLS cost allocation.

Analyst:	Erin Auzins
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ELECTIONS

BUDGET TABLE

	2017-2018 Revised*	2019-2020 Proposed	% Change 2017-2018 v. 2019-2020
Budget Appropriation	\$39,386,031	\$42,023,000	6.7%
Max FTE:	65.5	68.5	4.6%
Max TLTs:	3	0	-100%
Estimated Revenues	\$22,664,531	\$25,145,000	10.9%
Major Revenue Sources	General Fund, revenues from other jurisdictions for election administration, state appropriation		
* Note: 2017-2018 Revised includes the 2017-2018 Adopted Budget plus adopted supplementals (as of transmittal of the Executive's proposed 2019-2020 budget) less one-time 2017-2018 expenditures.			

PROGRAM DESCRIPTION AND PURPOSE

The King County Department of Elections is responsible for conducting elections, maintaining voter registration records in conjunction with the State of Washington and providing election-related information to the public and other governmental entities.

Under the Revised Code of Washington (RCW), counties are responsible for conducting state and local elections with the cost of elections being shared by cities, towns and districts based on their proportionate shares of the cost.¹ The state assumes a prorated share of election costs in odd-numbered years.² Elections allocates costs based on the number of registered voters in each jurisdiction and jurisdictions are not charged for additional offices or issues placed on the ballot.³

SUMMARY OF PROPOSED BUDGET AND CHANGES

The notable proposed changes for the Elections budget in 2019-2020 reflect expenditures needed to comply with the law changes made by the state legislature in the 2018 session around voting rights, pre-registration of 16 and 17-year olds, same day registration and vote centers, and auditing requirements. Specific changes proposed in the Executive's proposed budget include:

- Conversion of 2 TLTs to FTEs, addition of 1 FTE, and \$277,000 for administration of the ballot drop box program. There are expected to be 69 drop boxes throughout King County by the end of 2018. \$139,000 would be revenue

¹ RCW 29A.04.025 and RCW 29A.04.410

² RCW 29.04420

³ This methodology is one of two approved methods in the State Auditor's Office Budget and Accounting Reporting System Manual.

backed from reimbursements from jurisdictions who participate in an election. This is expected to be an on-going expense.

- \$1,274,000 of revenue backed expenditures for implementation of pre-paid postage for all primary, general and special elections (four total per year) in the 2019-2020 biennium. The revenue is expected to come from the state's budget. This is expected to be an on-going expense.
- \$388,000 of partially revenue backed expenditures for a total of five registration/voting centers. The County currently operates three voting centers (Bellevue, Renton and Seattle). As a result of state law changes, two additional centers are required to be opened (Kent and Federal Way), and all the centers are required to be operating at least eighteen days in advance of an election. In addition, these centers are all required to allow for voter registration up to and including the day of the election. \$194,000 is the expected anticipated revenue backing from jurisdictions who participate in an election. This is expected to be an on-going expense.
- \$486,000 in increased one-time expenditures to pay for increased voter turnout in the 2020 presidential election.
- -\$700,000 in expenditures, and -\$350,000 as a result of reduced need for temporary labor costs due to efficiencies created by replacing the elections tabulation system.

KEY ISSUES

Staff have not identified any issues for this budget.

Analyst:	Renita Borders
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STATE AUDITOR

BUDGET TABLE

	2017-2018 Revised*	2019-2020 Proposed	% Change 2017-2018 v. 2019-2020
Budget Appropriation	\$2,097,678	\$2,230,000	6.3%
Max FTE:	0.0	0.0	N/A
Max TLTs:	0.0	0.0	N/A
Estimated Revenues	N/A	N/A	N/A
Major Revenue Sources	General Fund		
* Note: 2017-2018 Revised includes the 2017-2018 Adopted Budget plus adopted supplementals (as of transmittal of the Executive's proposed 2019-2020 budget) less one-time 2017-2018 expenditures.			

PROGRAM DESCRIPTION AND PURPOSE

The State Auditor's Office (SAO) is required by RCW Chapter 43.09 to audit all local governments in the state, and local governments are required to pay costs associated with such audits.

SUMMARY OF PROPOSED BUDGET AND CHANGES

The 2019-2020 State Auditor budget will increase by \$132,108 due to an increase in the hourly rate increase, as compared to the prior biennium. This rate change is in response to two major factors: Cost of Living Adjustments (COLA) increase for state audit staff and an increase in salaries. The proposed increase of the hourly rate for the state auditor reflects a \$5.00 per hour increase in the local government hourly charge for 2019, and assumes a \$2.00 per hour increase in 2020.

KEY ISSUES

Staff has identified no issues with this budget.

Analyst:	Renita Borders
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BOUNDARY REVIEW BOARD

BUDGET TABLE

	2017-2018 Revised*	2019-2020 Proposed	% Change 2017-2018 v. 2019-2020
Budget Appropriation	\$768,323	\$799,000	3.9%
Max FTE:	2.0	2.0	0.0%
Max TLTs:	0.0	0.0	N/A
Estimated Revenues	\$4,000	\$4,000	N/A
Major Revenue Sources	General Fund		
* Note: 2017-2018 Revised includes the 2017-2018 Adopted Budget plus adopted supplementals (as of transmittal of the Executive's proposed 2019-2020 budget) less one-time 2017-2018 expenditures.			

PROGRAM DESCRIPTION AND PURPOSE

The Washington State Boundary Review Board for King County (BRB) is an independent quasi-judicial agency that reviews and makes decisions on proposed annexations, incorporations, consolidation of special purpose districts, and dissolutions or disincorporations. RCW 36.93 describes the duties of the BRB, its powers, and the process for submitting requests to the BRB.

SUMMARY OF PROPOSED BUDGET AND CHANGES

The 2019-2020 proposed budget for the BRB is \$799,000 with 2.00 FTEs. This is a 3.9 percent increase in appropriations, and no change to FTEs, from the previous biennium. The change in cost is the net of an increase in central rates and inflationary adjustments to salary and benefits costs.

No significant changes are proposed to the Boundary Review Board's budget. The BRB's projected workload 2019-2020 remains the same as prior levels.

KEY ISSUES

Staff have not identified any issues for this budget.

Analyst:	Renita Borders
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LIMITED GENERAL OBLIGATION BOND REDEMPTION

BUDGET TABLE

	2017-2018 Revised*	2019-2020 Proposed	% Change 2017-2018 v. 2019-2020
Budget Appropriation	\$246,256,291	\$243,098,000	-1.3%
Max FTE:	N/A	N/A	N/A
Max TLTs:	N/A	N/A	N/A
Estimated Revenues	\$244,314,755	\$239,063,000	-2.1%
Major Revenue Sources	General Fund		
* Note: 2017-2018 Revised includes the 2017-2018 Adopted Budget plus adopted supplementals (as of transmit the Executive's proposed 2019-2020 budget) less one-time 2017-2018 expenditures.			

PROGRAM DESCRIPTION AND PURPOSE

Limited Tax General Obligation Bonds or LTGO Bonds (also known as councilmanic bonds) are commonly issued by the County. These bonds include a promise of the full faith and credit of the issuing agency – in the case of councilmanic bonds, to the taxing authority of the County without a vote of the people. (Bonds issued with voter approval are referred to as unlimited tax general obligation bonds or simply general obligation bonds. These are discussed in a separate staff report.)

SUMMARY OF PROPOSED BUDGET AND CHANGES

The total proposed annual payment on Limited Tax General Obligation bonds is reduced by 1.3 percent in 2019-2020 and the revenue is reduced by 2.14 percent. The main technical adjustments to this budget include updating principal and interest payment schedules. Additionally, the debt service fund budgets proposes the issuance of debt for 10 new projects listed below:

Project	Proceeds (in millions)	Term (Yrs.)
Parks – Central Maintenance Facility	\$23.9	20
Solid Waste - Multiple Projects, to include South County Transfer Station and North East County Transfer Station	\$96.0	20
Water and Land Resources Division – Land Conservation Initiative	\$24.0	30
Finance and Business Operations – Procurement System	\$5.4	7
Public Defense – Case Management System Upgrade	\$4.1	7
Assessor – Property Tax Administration System	\$18.0	10
Adult and Juvenile Detention – Distributed Antenna Network (DAN) Phase III	\$0.8	7

Adult and Juvenile Detention – Jail Management System	\$11.8	7
Transit – Various Operational Capacity Growth Projects	\$58.0	30
Fund to Reduce Energy Demand (FRED) Projects	\$6.1	10

KEY ISSUES

Staff have not identified any issues for this budget.

Analyst:	Renita Borders
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UNLIMITED GENERAL OBLIGATION BOND REDEMPTION

BUDGET TABLE

	2017-2018 Revised*	2019-2020 Proposed	% Change 2017-2018 v. 2019-2020
Budget Appropriation	\$34,337,900	\$31,715,000	-7.6%
Max FTE:	N/A	N/A	N/A
Max TLTs:	N/A	N/A	N/A
Estimated Revenues	\$34,180,000	\$31,215,000	-8.7%
Major Revenue Sources	Property Taxes		
* Note: 2017-2018 Revised includes the 2017-2018 Adopted Budget plus adopted supplementals (as of transmittal of the Executive's proposed 2019-2020 budget) less one-time 2017-2018 expenditures.			

PROGRAM DESCRIPTION AND PURPOSE

Bonds issued with voter approval are referred to as Unlimited Tax General Obligation Bonds or simply general obligation bonds. These bonds are backed by the full faith and credit of the county as well as a pledge approved by the voters to repay the debt.

SUMMARY OF PROPOSED BUDGET AND CHANGES

The annual payment on the Unlimited Tax General Obligation (UTGO) Bond Redemption Fund is proposed to decrease by \$2,623,725 or 7.6 percent from 2017-2018 levels. Adjustments to this budget were technical changes and reflect current debt service schedules and revised budgeted revenues updated based on the July Office of Economic and Financial Analysis (OEFA) forecasts. Additionally, bonds currently paid by UTGO will be paid off in 2023.

KEY ISSUES

Staff have not identified any issues for this budget.

Analyst:	Renita Borders
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GRANTS

BUDGET TABLE

	2017-2018 Revised*	2019-2020 Proposed	% Change 2017-2018 v. 2019-2020
Budget Appropriation	\$32,257,772	\$61,994,000	92.2%
Max FTE:	53.9	49.7	-7.8%
Max TLTs:	0.0	0.0	N/A
Estimated Revenues	32,257,772	61,994,000	93.2%
Major Revenue Sources	General Funds		
* Note: 2017-2018 Revised includes the 2017-2018 Adopted Budget plus adopted supplementals (as of transmittal of the Executive's proposed 2019-2020 budget) less one-time 2017-2018 expenditures.			

PROGRAM DESCRIPTION AND PURPOSE

The Grants Fund is used to budget federal, state, and local government and private grants for General Fund agencies. King County uses a zero-based budget process for this fund, and budget appropriations expire at the end of the budget period. The proposed budget includes anticipated funding from new or expanded grants and funds remaining from existing grants. Grant revenues are transferred to the designated county agency upon receipt of the grant award.

SUMMARY OF PROPOSED BUDGET AND CHANGES

For the 2019-2020 biennium, the Office of Performance, Strategy, and Budget (PSB) has consolidated the various general fund grant fund appropriation units designated for various departments into a single Grants Fund appropriation unit. The 2019-2020 proposed budget for the Grants Fund is \$61,994,000, an increase of 92.2 percent. The proposed budget includes an estimated \$25 million for new grant awards, and approximately \$9 million for funds remaining from existing grants. The following table illustrates changes in grant funding for each agency:

Department	2017-2018 Budget	2019-2020 Budget	% change
Sheriff	\$3,029,724	\$4,602,049	51.9%
Executive Administration: Executive Services and Office of Emergency Management	\$5,665,488	\$34,028,306	500.6%
Prosecutor	\$2,843,000	\$6,695,150	135.5%
Superior Court	\$9,356,000	\$10,313,500	10.2%
Elections	\$600,000	\$0	-100.0%
Judicial Admin	\$339,551	\$354,722	4.5%
Public Defense	\$4,424,000	\$0	-100.0%

Non-dept. Contingency	\$6,000,000	\$6,000,000	0.0%
Byrne JAG Grants	\$203,000	\$0	-100.0%

The Executive Administration Grants has been updated to include the Department of Executive Services and the Office of Emergency Management (OEM). The percent change in the 2019-2020 proposed budget for Executive Services/OEM reflects five new grants plus the addition of existing grants.

KEY ISSUES

Staff has identified no issues with this budget.

Analyst:	Nick Bowman
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KING COUNTY INTERNATIONAL AIRPORT & AIRPORT CIP

BUDGET TABLE

	2017-2018 Revised*	2019-2020 Proposed	% Change 2017-2018 v. 2019-2020
Budget Appropriation	\$34,478,001	\$40,882,000	18.6%
Max FTE:	48.5	51.5	6.2%
Max TLTs:	0.0	5.0	N/A
Estimated Revenues	\$42,146,499	\$53,977,000	28.1%
Major Revenue Sources	Ground leases, fuel fees, landing fees, FAA and grants		
* Note: 2017-2018 Revised includes the 2017-2018 Adopted Budget plus adopted supplementals (as of transmittal of the Executive's proposed 2019-2020 budget) less one-time 2017-2018 expenditures.			

PROGRAM DESCRIPTION AND PURPOSE

King County International Airport (KCIA) is a self-supporting enterprise operation partially funded by grants from the Federal Aviation Administration (FAA). The FAA regulates airspace and aircraft operation. The FAA classifies KCIA as a Class IV, Primary, Commercial Service, Non-Hub Reliever Airport, meaning it handles limited commercial passenger traffic and has been designated by the FAA to relieve congestion from SeaTac and provide improved general aviation access to the overall community. It serves around 150 tenant businesses, including small commercial passenger airlines, cargo carriers, private aircraft owners, helicopters, corporate jets, military, and the Boeing Company.

SUMMARY OF PROPOSED BUDGET AND CHANGES

The Executive's Proposed Budget would increase appropriation authority for the King County International Airport's operating budget by \$6.4 million (18.6%) over that of the 2017-2018 biennium. The primary drivers of the increase in operating expenditures are the ramp up in capital program capacity, the development of apprenticeship and summer internship programs, an adjustment to the surface water management fee and a revision in overhead charges reflecting the Airport's organizational move from the Department of Transportation to the Department of Executive Services. Operating revenues would increase by \$11.8 million (28.1%) compared to the previous biennium. Revenue increases reflect adjustments to match the anticipated impacts of inflationary forces and the renegotiation of significant tenant leases, such as Boeing, which recently settled the terms of their lease at nearly double the previous rental rate, an increase of more than \$6 million a year.

Capital Program Capacity – \$1,220,971 & 4.0 TLT. To support the Airport's 2019-2020 CIP priorities, the proposed budget includes appropriation authority for four TLT positions: two capital project managers, a contract specialist and an unbudgeted engineer. According to Airport staff, with the proposed doubling of capital spending over the 2019-2020 biennium current project management capacity is not sufficient. In the

past, KCIA has relied on management staff to deliver capital projects which has proven inefficient and diverts attention away from program development and improving fundamental business processes. Furthermore, KCIA's contract administration is currently performed by a single contract specialist which has resulted in a bottleneck and inadequate throughput of architecture and engineering (A&E) work and construction contract procurement. With the expanded capital portfolio expected to exacerbate these problem areas, the TLT positions are requested to avoid project delays and/or curtailment.

The proposed positions are TLTs rather than FTEs due to the ongoing Airport Master Plan update process. According to Airport staff, until the Master Plan update is complete and reauthorization of FAA funding for major capital projects is assured, the exact level of project management staff will remain unknown. With this uncertainty, the hiring of TLTs for the 2019-2020 biennium will address current project delivery needs while allowing for a reevaluation of additional staff capacity in the out-years.

Apprenticeship & Internship Programs – \$764,657 & 3.0 FTE. KCIA's 2019-2020 Biennium Business plan identifies the Airport's commitment to educational outreach and development, under a program of activities entitled "Airport of Opportunity," as key to achieving the strategic goal of attracting and developing capable young trade labor, engineers, and technical staff. This need has taken on new emphasis in recent years as an aging work force in aviation and aerospace industries has made employee talent pools shallower and competition stiffer. As a way to address succession planning needs and foster aviation and aerospace career development, the proposed budget includes the creation of three new apprenticeship positions and a new summer internship program for up to twelve youth and young adults per year, as a compliment to KCIA's already very active school-year educational outreach and career development programs. Program costs total \$281,254¹ for the three apprenticeships positions and \$483,403 for the internship program.

Surface Water Management Fee – \$791,674. Though KCIA maintains and operates its own surface water collection, treatment and discharge system, the City of Seattle and the City of Tukwila charge a fee to the Airport. In 2018, Seattle's fee was over \$1.8M and Tukwila's fee was \$154,000. The proposed budget increase reflects the adjustment to the 2018 base as well as the inflationary adjustments for 2019 and 2020. According to Airport staff, negotiations with City officials regarding these fees is ongoing.

Overhead Updates – \$719,031. The increase in overhead charges in the proposed budget reflect the addition of a \$135,000 central rate charge for FMD lease management services that was inadvertently omitted from the base and moving the Roads overhead cost of HR and Payroll services to the Dept. of Executive Services.

KEY ISSUES

Staff have not identified any issues with this budget.

¹ The proposed apprenticeships program cost reflects the staggered start times of the three positions: Carpentry (5/19), Electrical (1/20), and Heavy Duty Mechanic (9/20). If all three FTE positions were budgeted for the entire biennium (24 months), the total costs would be \$558,000.

Analyst:	Nick Bowman
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APPROPRIATION NAME – AIRPORT CONSTRUCTION TRANSFER

BUDGET TABLE

	2017-2018 Revised*	2019-2020 Proposed	% Change 2017-2018 v. 2019-2020
Airport Construction Transfer	\$7,330,175	\$18,975,000	158.9%
Major Revenue Sources	NA		
* Note: 2017-2018 Revised includes the 2017-2018 Adopted Budget plus adopted supplementals (as of transmittal of the Executive's proposed 2019-2020 budget) less one-time 2017-2018 expenditures.			

PROGRAM DESCRIPTION AND PURPOSE

KCIA's budgeted Total Capital Revenue must support the Total Capital Appropriation. After calculating the combination of fund balance, FAA grants and anticipated environmental grants, the transfer from the KCIA Operating Fund is utilized to achieve the balance necessary to support the capital portfolio.

SUMMARY OF PROPOSED BUDGET AND CHANGES

The proposed Airport construction transfer shows an increase of \$11.6 million (158.9%) over the 2017-2018 biennium. This large increase reflects the substantial growth in the proposed 2019-2020 capital project portfolio.

KEY ISSUES

Staff have not identified any issues with this budget.

Analyst:	Nick Bowman
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APPROPRIATION NAME – AIRPORT CIP

BUDGET TABLE

	2017-2018 Revised*	2019-2020 Proposed	% Change 2017-2018 v. 2019-2020
Airport CIP			
Budget Appropriation	\$11,718,966	\$30,381,865	159.3%
Estimated Revenues	\$11,718,966	\$30,381,865	159.3%
Major Revenue Sources	Fund Balance, FAA Grants, Environmental Grants and Transfer from Operating.		
* Note: 2017-2018 Revised includes the 2017-2018 Adopted Budget plus adopted supplementals (as of transmittal of the Executive's proposed 2019-2020 budget) less one-time 2017-2018 expenditures.			

PROGRAM DESCRIPTION AND PURPOSE

King County International Airport (KCIA) is a self-supporting enterprise operation partially funded by grants from the Federal Aviation Administration (FAA). The FAA regulates airspace and aircraft operation. The FAA classifies KCIA as a Class IV, Primary, Commercial Service, Non-Hub Reliever Airport, meaning it handles limited commercial passenger traffic and has been designated by the FAA to relieve congestion from SeaTac and provide improved general aviation access to the overall community. It serves around 150 tenant businesses, including small commercial passenger airlines, cargo carriers, private aircraft owners, helicopters, corporate jets, military, and the Boeing Company.

SUMMARY OF PROPOSED BUDGET AND CHANGES

The proposed Airport CIP of \$30.3 million is nearly three times that of the prior biennium's appropriation of \$11.7 million. The significant increase in capital expenditure authority is primarily the result of major individual projects such as the Equipment Snow Shed project² (\$10 million) and the Large Aircraft Parking project³ (\$10.25 million) which, combined, account for 66.8 percent of the total 2019-2020 proposed CIP. Information on these projects and several other major capital projects (above \$2 million) in the proposed Airport CIP is provided below.

Equipment Snow Shed – \$10,057,500. This project would construct a storage building intended to protect and extend the life of the Airport's winter maintenance fleet of large equipment. The building will be designed to accommodate 10 snow removal equipment (SRE) vehicles with an approximate area of 20,000 square feet. Currently, the Airport does not have a place to house snow removal equipment including de-icing and other chemicals. Having equipment and chemicals exposed to the elements rapidly reduces their useful life and increases maintenance efforts and costs. The project will also include a security perimeter fence installed around the site, designed to the

² Project #1129947

³ Project #1134634

specifications of the Tenant Security Working Group, which will tie into the existing security perimeter fence.

The 2017-2018 adopted budget included \$1.4 million for this project. The additional appropriation request in the proposed budget includes site preparation, permitting, and compliance with both FAA Advisory Circular design and construction standards and the County's Green Building Ordinance⁴. The proposed budget would carry over the initial \$1.4 million making the total budgeted amount for this project to \$11,471,500.

Large Airport Parking – \$10,250,000. This is a new project that will expand and reconfigure the existing aircraft parking apron north of the Terminal Building to accommodate the increased demand for large aircraft parking. The project would require the demolition of both the 7299 Arrivals Building and 7300 PRS Building. Costs for hazardous materials mitigation associated with the building demolition are included in the appropriation request. In addition, the existing perimeter security fence will be removed and replaced per the specifications of the Tenant Security Working Group. Funding for this project includes a \$2.6 million FFA grant. The FAA will review site plans to ensure they align with grant assurances and this project will also become part of the FAA Airport Layout Plan.

Fence and Gate Upgrades – \$2,250,000. This new project, which would remove and replace approximately 12,000 linear feet of airport controlled security perimeter fence, fifteen vehicle gates and five pedestrian gates, aligns with Aviation Security Consulting's recommendations to improve the Airport's physical security⁵. The new security fence will be designed in compliance with Tenant Security Committee specifications and gates that are not necessary will be removed. In addition, the project will install approximately 2,500 feet of cable barrier and extend utilities to provide electrical power to gates where needed. Another \$2,000,000 is anticipated for this project in the 2021-2022 biennium, bringing total project costs to \$4,250,000.

Land Purchase Contingency – \$3,200,000. The Airport's 2019-2020 Biennium Business Plan identifies a lack of available land as an impediment to airport business expansion which in turn limits opportunities for economic growth. This new project would establish a Land Acquisition Reserve Fund which could be used to acquire several developable parcels which KCIA has identified as possible sites to meet future business needs such aircraft storage, general aviation and airport support services. This project is consistent with the Airport Strategic Plan which calls for property acquisitions which might further KCIA's ability to carry out its mission of providing a world class airport and strengthening the region's economy.

KEY ISSUES

Staff have not identified any issues with this budget.

⁴ Ordinance 17709

⁵ KCIA reports to the Government Accountability and Oversight committee every quarter on projects related to Airport security in accordance with Ordinance 17941, Section 129, Proviso P8, as amended by Ordinance 18110, Section 60.

Analyst:	Clifton Curry
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CABLE COMMUNICATIONS

BUDGET TABLE

	2017-2018 Revised*	2019-2020 Proposed	% Change 2017-2018 v. 2019-2020
Budget Appropriation	\$1,027,777	\$844,308	-17.9%
Max FTEs:	1.5	1.5	-
Max TLTs:	0	0	N/A
Estimated Revenues	\$6,508,026	\$6,200,000	-4.6%
Major Revenue Sources	Cable Franchise & PEG Fees		
* Note: 2017-2018 Revised includes the 2017-2018 Adopted Budget plus adopted supplementals as of transmittal of the Executive's proposed 2019-2020 budget.			

PROGRAM DESCRIPTION AND PURPOSE:

The Office of Cable Communications assists cable television subscribers in resolving complaints and answering questions regarding their cable service in unincorporated King County. The cable office negotiates, monitors, and enforces the rules set forth in the cable television franchises granted by King County and held by cable TV companies. The office collects a franchise fee of five percent of gross revenues from the cable companies for their use of the County's rights-of-way. The cable office is funded through the General Fund and generates approximately \$2.5 million per year for the General Fund. In addition, cable television companies pay Public, Education and Government (PEG) fees that support capital equipment that supports programming for governments (such as King County Television), schools, and public access.

SUMMARY OF PROPOSED BUDGET AND CHANGES

The budget for the Cable Office is proposed to decrease by 17.9% to \$844,308 for the biennium. This decrease is primarily due to revenue adjustments and Base Budget adjustments (removing one-time project expenditures from the proposed 2019-20 budget, such as funding for audits and technical reviews not needed in the next biennium).

ISSUES

Staff have identified no issues with this budget.

Analyst:	Clifton Curry
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KCIT - RADIO COMMUNICATIONS (800 MHz)

BUDGET TABLE

	2017-2018 Revised*	2019-20120 Proposed	% Change 2017-2018 v. 2019-2020
Budget Appropriation	\$8,793,250	\$9,409,823	7.0%
Max FTEs:	14.0	14.0	N/A
Max TLTs:	0.0	0.0	N/A
Estimated Revenues	\$9,289,353	\$10,161,756	9.4%
Major Revenue Sources	Customer-Subscriber fees (county & other agencies)		
* Note: 2017-18 Revised includes the 2017-18 Adopted Budget plus adopted supplementals as of transmittal of the Executive's proposed 2019-20 budget.			

PROGRAM DESCRIPTION AND PURPOSE

Radio Communications Services (RCS) is one of three divisions of King County Information Technology (KCIT). The largest system supported by RCS is the regional 800 MHz emergency radio system, which is also known as the King County Emergency Communications Radio System (KCERCS). RCS provides infrastructure, installation and maintenance services. In addition, RCS provides radio management and oversight for the County and other agency customers.

SUMMARY OF PROPOSED BUDGET AND CHANGES

The RCS 2019-2020 proposed budget is \$9.4 million with 14.0 FTEs. This is a seven percent increase in appropriation authority from the 2017-2018 biennium, and no change in FTEs.

The changes in the proposed 2019-2020 budget for RCS are related to changes in support costs for KCIT and and base budget adjustments.

Of note, voters in King County approved a nine-year, \$273 million property tax levy in April 2015 to fund PSERN. Once completed, PSERN will replace and upgrade the King County Emergency Radio Communications System (KCERCS), the current countywide emergency radio network, including equipment and infrastructure, as well as KCERCS subscriber end user radios (approximately 17,000 units). King County has been chosen to implement PSERN. PSERN full system acceptance is scheduled for September 2020. Ownership and management of the PSERN system after project completion, under the terms of the Operations MOA¹, will be vested in a new, nonprofit organization governed by a Board of Directors.

¹ Ordinance 18074, approved by Council in June 2015.

ISSUES

Staff have not identified any issues with this budget.

Analyst:	Clifton Curry
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I-NET OPERATIONS

BUDGET TABLE

	2017-2018 Revised*	2019-2020 Proposed	% Change 2017-2018 v. 2019-2020
Budget Appropriation	\$6,516,015	\$6,577,000	0.92%
Max FTEs:	3.0	3.0	N/A
Max TLTs:	0	0	N/A
Estimated Revenues	\$6,298,836	\$6,875,000	9.1%
Major Revenue Sources	User fees and PEG ¹ fees		
* Note: 2015-2016 Revised includes the 2015-2016 Adopted Budget plus adopted supplementals as of transmittal of the Executive’s proposed 2017-2018 budget.			
¹ PEG fees, authorized by the 1984 Federal Cable Franchise Policy and Communications Act, are paid by the cable operator to support public, educational, and governmental use of the fiber network licensed.			

PROGRAM DESCRIPTION AND PURPOSE

King County Information Technology manages the county's institutional fiber optic network, which is known as I-Net. I-Net services are available and supported across a secure private network of more than 2,000 miles of fiber, delivering scalable high-speed bandwidth for data, voice, video and Internet access to King County and hundreds of public, education, and municipal partners in the Puget Sound region. I-Net is funded through direct user charges and fees paid by cable television subscribers in unincorporated King County.

SUMMARY OF PROPOSED BUDGET AND CHANGES

The proposed 2019-2020 biennial budget for I-Net has increased by \$60,268 or less than one percent when compared to 2017-2018. The increase of \$761,000 and 2.0 FTEs proposed in the I-Net budget is the result of moving two KCIT staff into the budget appropriation unit. According to the Executive, this is a realignment of staff who provide dedicated services to the I-Net program. Additional budget changes are due to revenue readjustments and changes in the allocation of KCIT support costs. Revenue is expected to increase by \$575,592 for the biennium, 9.1 percent.

KEY ISSUES

Staff have identified no issues with this budget.

Analyst:	Sahar Fathi
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SAFETY AND CLAIMS MANAGEMENT – EN A66600

BUDGET TABLE

	2017-2018 Revised*	2019-2020 Proposed	% Change 2017-2018 v. 2019-2020
Budget Appropriation	\$73,398,067	\$77,839,000	6%
Max FTE:	51	50	2%
Max TLTs:	0	0	0
Estimated Revenues	\$54,780,000	\$57,392,000	5%
Major Revenue Sources	Central rates billed on budgeted positions.		
* Note: 2017-2018 Revised includes the 2017-2018 Adopted Budget plus adopted supplementals (as of transmittal of the Executive's proposed 2019-2020 budget) less one-time 2017-2018 expenditures.			

PROGRAM DESCRIPTION AND PURPOSE:

Safety and Claims Management oversees the County's self-insured workers' compensation and employee safety programs. Employer-paid Industrial Insurance rates support the self-insured workers' compensation programs paid through the Safety & Claims Internal Service Fund. Agencies pay hourly rates assessed on budgeted labor. The County hires an actuary to develop claim expenditure and reserve projections, upon which the departmental Industrial Insurance rates are established.

SUMMARY OF PROPOSED BUDGET AND CHANGES

Safety and Claims Management is proposed to increase by 6 percent largely to adjust claim expenditure accounts to align with the most recent actuarial forecast. There is one position reduced, a fire extinguisher technician, the work will be taken over by the Facilities Management Division.

KEY ISSUES

Staff have not identified any issues for this budget.

Analyst:	Sahar Fathi
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OFFICE OF LABOR RELATIONS

BUDGET TABLE

	2017-2018 Revised*	2019-2020 Proposed	% Change 2017-2018 v. 2019-2020
Budget Appropriation	\$6,149,206	\$7,057,000	15%
Max FTE:	17.6	17.6	0%
Max TLTs:	0	0	N/A
Estimated Revenues	0	0	N/A
Major Revenue Sources	General Fund Overhead		
* Note: 2017-2018 Revised includes the 2017-2018 Adopted Budget plus adopted supplementals (as of transmittal of the Executive's proposed 2019-2020 budget) less one-time 2017-2018 expenditures.			

PROGRAM DESCRIPTION AND PURPOSE

The Office of Labor Relations (OLR) is located in the Office of the Executive to improve the process of negotiating and administering labor agreements and explore opportunities for coalition bargaining. OLR is responsible for negotiating and assisting in the administration of almost 80 collective bargaining agreements covering the County's approximately 12,000 represented employees. The services provided by those employees are a major component of the work of County government, and their compensation constitutes a substantial portion of the County budget.

SUMMARY OF PROPOSED BUDGET AND CHANGES

The OLR budget is proposed to increase by 15 percent as a result of increased base budget adjustments and central rate adjustments. Most of the OLR staff were reclassified to higher ranges in January of 2017. According to the Executive, Human Resources Compensation and Classification Services made the determination that it was effective retroactively beginning 1/1/17. There was no supplemental appropriation to add budget for this increase. In addition, the budget assumes the 6.34% wage increase and a 9% benefits increase.

KEY ISSUES

Staff have not identified any issues for this budget.

Analyst:	Jenny Giambattista
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OFFICE OF RISK MANAGEMENT SERVICES

BUDGET TABLE

	2017-2018 Revised*	2019-2020 Proposed	% Change 2017-2018 v. 2019-2020
Budget Appropriation	\$85,006,029	\$85,978,000	1.14%
Max FTE:	23	27.5	19.6%
Max TLTs:	0	0	N/A
Estimated Revenues	\$43,518,264	\$72,263,000	19.57%
Major Revenue Sources	Internal service charges to other county agencies		
* Note: 2017-2018 Revised includes the 2017-2018 Adopted Budget plus adopted supplementals (as of transmittal of the Executive's proposed 2019-2020 budget) less one-time 2017-2018 expenditures.			

PROGRAM DESCRIPTION AND PURPOSE

The Office of Risk Management Services (ORMS) works with County agencies to control and minimize losses, protect assets, and manage liability claims against the County. ORM also maintains a self-insurance program and purchases insurance for the County. The ORM budget is funded by internal service charges to County agencies, allocated based on an agencies' historic loss experience. The majority of ORM budgetary funding requirements (including claims costs and insurance premiums) are determined annually by an actuary.

SUMMARY OF PROPOSED BUDGET AND CHANGES

The ORMS budget is proposed to increase by 1.1 percent. The proposed budget includes 4 FTE positions and \$1.1 million to make permanent a pilot program to respond to Public Records Act requests. The ORMS budget includes a significant increase in revenues because the budget does not include a rebate to agencies as occurred in the 2017-2018 budget. There is also an \$8 million increase in rates charged to County agencies. This increase is necessary in order to establish a reserve that meets actuarial projections. ORMS reports it has not raised rates since 2013.

KEY ISSUES

Staff has identified no key issues.

Analyst:	Jenny Giambattista
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FLEET SERVICES DIVISION

BUDGET TABLE¹

	2017-2018 Revised*	2019-2020 Proposed	% Change 2017-2018 v. 2019-2020
Budget Appropriation	\$76,249,918	\$73,126,000	-4.10%
Max FTE:	72	74	2.8%
Max TLTs:	N/A	N/A	N/A
Estimated Revenues	\$62,723,700	\$61,925,000	-1.27%
Major Revenue Sources	Internal charges to other county agencies		
* Note: 2017-2018 Revised includes the 2017-2018 Adopted Budget plus adopted supplementals (as of transmittal of the Executive's proposed 2019-2020 budget) less one-time 2017-2018 expenditures.			
¹This table includes the combined appropriations for the three equipment rental and revolving funds: Fleet Management, Motor Pool, and Wastewater.			

PROGRAM DESCRIPTION AND PURPOSE

Fleet Services Division (Fleet) is an internal service provider moved from the Department of Transportation to the Department of Executive Services effective January 1, 2019. The Fleet Division manages the resources and work associated with three Equipment Rental and Revolving Funds: Public Works, Motor Pool, and Wastewater. The division manages fleet services, two maintenance facilities, and the acquisition, maintenance, and disposal of 2,700 cars, trucks, and heavy off-road equipment.

SUMMARY OF PROPOSED BUDGET AND CHANGES

Although the Fleet budget is proposed to decrease by 4.1 percent in 2019-2020, this does not represent a reduction in services. The decrease in the proposed budget is largely the result of a technical correction in how the Automatic Vehicle Location (AVL) technology project was budgeted, a vacancy rate adjustment, and fewer vehicles needing to be replaced at this time according to the vehicle replacement lifecycle schedule.

KEY ISSUES

Staff have not identified any issues for this budget.

Analyst:	Pat Hamacher
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REAL ESTATE SERVICES

BUDGET TABLE

	2017-2018 Revised*	2019-2020 Proposed	% Change 2017-2018 v. 2019-2020
Budget Appropriation	\$8,878,000	\$9,404,000	5.9%
Max FTEs:	20	21	5.0%
Max TLTs:	1	1	N/A
Estimated Revenues	\$9,088,836	\$9,714,000	6.9%
Major Revenue Sources	User charges to county agencies needing services from RES.		
* Note: 2017-2018 Revised includes the 2017-2018 Adopted Budget plus adopted supplementals (as of transmittal of the Executive's proposed 2019-2020 budget) less one-time 2017-2018 expenditures.			

PROGRAM DESCRIPTION AND PURPOSE

Real Estate Services (RES) acts as the County's real estate and leasing agents among other things. The agency is responsible for purchase and disposition of county land, executing long term leases, and work on county-owned rights of way.

SUMMARY OF PROPOSED BUDGET AND CHANGES

There are no significant changes in the RES budget for 2019-2020. Staffing levels remain level except for a small addition to reduce risk management by increasing the speed at which the County disposes of tax title and other surplus properties. RES is increasing its work on behalf of King County International Airport (KCIA) as there is an increasing in leasing activity on the airfield and adjacent properties.

KEY ISSUES

Staff has identified no key issues.

Analyst:	Pat Hamacher
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FINANCE AND BUSINESS OPERATIONS

BUDGET TABLE

	2017-2018 Revised*	2019-2020 Proposed	% Change 2017-2018 v. 2019-2020
Budget Appropriation	\$62,538,158	\$69,273,000	10.8%
Max FTE:	182.5	188.5	3.3%
Max TLTs:	5	0	-100%
Estimated Revenues	\$63,904,914	\$66,927,000	4.8%
Major Revenue Sources:	All FBOD revenue comes from interfund and interagency transfers for services provided.		
* Note: 2017-2018 Revised includes the 2017-2018 Adopted Budget plus adopted supplementals (as of transmittal of the Executive's proposed 2019-2020 budget) less one-time 2017-2018 expenditures.			

PROGRAM DESCRIPTION AND PURPOSE

The Finance and Business Operations Division (FBOD) is King County's centralized finance function. The Division oversees accounting, accounts receivable, account payable, treasury (property tax collection) functions, procurement and also the County's Investment pool. It's costs are allocated to all county agencies and, in the case of the investment pool, to all users of the investment pool.

SUMMARY OF PROPOSED BUDGET AND CHANGES

The FBOD budget is proposed to increase by just under 11% compared to the 2017-2018 biennium. However, much of this increase is attributable to increase in personnel costs from the MLA and from reclassification of CPA positions to increase recruitment and retention. In addition, FBOD proposes to increase staffing levels and budget to account for increased capital spending by the County (particularly Transit) and include the increase to the Priority Hire Program. In total, these additions involve 9.0 FTE and \$2.65 million over the biennium. Finally, FBOD is funding a CIP project to increase the web availability of procurement functions.

KEY ISSUES

Staff has identified no key issues.

Analyst:	Pat Hamacher
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BUSINESS RESOURCE CENTER (BRC)

BUDGET TABLE

	2017-2018 Revised*	2019-2020 Proposed	% Change 2017-2018 v. 2019-2020
Budget Appropriation	\$36,947,120	\$40,602,000	9.9%
Max FTE:	57	57	0.0%
Max TLTs:	0	0	N/A
Estimated Revenues	\$40,220,670	\$43,519,000	8.2%
Major Revenue Sources	All BRC revenue comes from internal charges paid by other county funds for services provided.		
* Note: 2017-2018 Revised includes the 2017-2018 Adopted Budget plus adopted supplementals (as of transmittal of the Executive's proposed 2019-2020 budget) less one-time 2017-2018 expenditures.			

PROGRAM DESCRIPTION AND PURPOSE

The Business Resource Center is the centralized office that maintains the enterprise business systems for King County. These include financial accounting, procurement, human resources, payroll and budget. This office is responsible for system maintenance, upgrade, reporting and development related to the key systems. In addition, the BRC has begun rolling out more robust analysis and reporting functions known as Business Intelligence or BI. Demand for BI services has increased as the system has become more reliable and robust.

SUMMARY OF PROPOSED BUDGET AND CHANGES

The budget for the BRC is increasing by about 10% compared to the 2017-2018 biennium. Much of this cost increase is related to personnel costs and an \$800,000 increase in capacity to meet the increased demand for BI analytics requested by departments. The BRC continues to maintain healthy reserves of \$17.1 million and has targeted those reserves for out-year upgrades to Oracle, PeopleSoft and Oracle BI.

KEY ISSUES

Staff has identified no key issues.

Analyst:	Pat Hamacher
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FACILITIES MANAGEMENT DIVISION PARKING FACILITIES

BUDGET TABLE

	2017-2018 Revised*	2019-2020 Proposed	% Change 2017-2018 v. 2019-2020
Budget Appropriation	\$7,687,000	8,872,000	15.4%
Max FTEs:	0	0	N/A
Max TLTs:	0	0	N/A
Estimated Revenues	\$7,437,000	\$9,100,000	22.0%
Major Revenue Sources	Parking fees paid primarily at Goat Hill and King Street.		
* Note: 2017-2018 Revised includes the 2017-2018 Adopted Budget plus adopted supplementals (as of transmittal of the Executive's proposed 2019-2020 budget) less one-time 2017-2018 expenditures.			

PROGRAM DESCRIPTION AND PURPOSE

The FMD Parking appropriation is a holding account for: 1) receiving revenue for monthly and daily parkers in County garages and 2) paying expenses associated with the operation of the county-owned garages. Any excess revenue after payment of expenses is transferred to the County's general fund.

SUMMARY OF PROPOSED BUDGET AND CHANGES

The budget for FMD Parking is a status quo budget with the exception of the annualization of costs and revenue associated with King Street Center. During the middle of the 2017-2018 biennium, the King Street Center parking garage became a county operating obligation (along with the associated revenue). This has increased the budget and the expenses accordingly. The transfer to the County General Fund is proposed to increase modestly to \$5m from \$4.8 million in 2017-2018.

KEY ISSUES

Staff has identified no key issues.

Analyst:	Pat Hamacher
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FACILITIES MANAGEMENT INTERNAL SERVICE (FMD)

BUDGET TABLE

	2017-2018 Revised*	2019-2020 Proposed	% Change 2017-2018 v. 2019-2020
Budget Appropriation	\$114,424,449	\$122,493,000	7.1%
Max FTEs:	331	331.4	0.1%
Max TLTs:	2	2	N/A
Estimated Revenues	\$112,836,566	\$119,350,000	5.8%
Major Revenue Sources	Internal service charges and lease revenue.		
* Note: 2017-2018 Revised includes the 2017-2018 Adopted Budget plus adopted supplementals (as of transmittal of the Executive's proposed 2019-2020 budget) less one-time 2017-2018 expenditures.			

PROGRAM DESCRIPTION AND PURPOSE

The Facilities Management Division (FMD) is King County's building maintenance, space planning and technical and skilled trades shop. It is responsible for maintenance of the County building infrastructure and systems as well as planning for future needs.

SUMMARY OF PROPOSED BUDGET AND CHANGES

The FMD budget is increasing by about 7% compared to the prior biennium. However, almost \$1.3 million of the cost increases come from annualizing the costs for operation of King Street Center and utility costs associated with bringing the CFJC online in 2019. Absent these increases, the budget would be increasing by 5.9%.

As part of an effort to meet the targets identified in the Strategic Climate Action Plan (SCAP) the Executive has proposed an addition to the rates charged to county agencies for their occupancy in buildings. The fee proposed by the Executive is \$0.09 (nine cents) per rentable square foot. This is based upon an estimate of \$10 per metric ton of carbon dioxide emitted. This fee would generate about \$250,000 per year, of which about \$187,000 would come from general fund agencies. The largest charge is to the Department of Adult and Juvenile Detention (DAJD) at \$75,000 and the smallest is to the Office of Civil Rights at \$121.

KEY ISSUES

Staff has identified no key issues.

Analyst:	Pat Hamacher
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LONG TERM LEASES

BUDGET TABLE

	2017-2018 Revised*	2019-2020 Proposed	% Change 2017-2018 v. 2019-2020
Budget Appropriation	\$32,794,623	\$36,127,645	10.2%
Max FTEs:	N/A	N/A	N/A
Max TLTs:	N/A	N/A	N/A
Estimated Revenues	\$32,794,623	\$38,788,772	19.3%
Major Revenue Sources	This is an internal service fund paid into by the agencies using the leased space.		
* Note: 2017-2018 Revised includes the 2017-2018 Adopted Budget plus adopted supplementals (as of transmittal of the Executive's proposed 2019-2020 budget) less one-time 2017-2018 expenditures.			

PROGRAM DESCRIPTION AND PURPOSE

The Long-Term Lease capital fund is managed by the Facilities Management Division and serves as a holding fund for leased county space. The agency using the space is charged the cost of their leases by this fund. The fund then pays the costs associated with the lease.

SUMMARY OF PROPOSED BUDGET AND CHANGES

There are no policy decisions associated with this appropriation request as it is a holding account for leases already executed by the Executive or approved by the Council and executed by the Executive depending on the value of the lease. Of the \$3.3 million in new spending for the upcoming biennium, \$2.4 million comes from the addition of two new leases (one for DCHS and one for Transit).

KEY ISSUES

Staff have identified no issues with this budget.

Analyst:	Pat Hamacher
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MAJOR MAINTENANCE RESERVE SUBFUND

BUDGET TABLE

	2017-2018 Revised*	2019-2020 Proposed	% Change 2017-2018 v. 2019-2020
Budget Appropriation	\$19,345,225	\$19,878,703	2.8%
Max FTE:	N/A	N/A	N/A
Max TLTs:	N/A	N/A	N/A
Estimated Revenues	\$18,770,257	\$19,878,703	5.9%
Major Revenue Sources	Revenue for projects in this fund come from user charges to those agencies in county-space.		
* Note: 2017-2018 Revised includes the 2017-2018 Adopted Budget plus adopted supplementals (as of transmittal of the Executive's proposed 2019-2020 budget) less one-time 2017-2018 expenditures.			

PROGRAM DESCRIPTION AND PURPOSE

The Major Maintenance Reserve Subfund (MMRF) is a compilation of CIP projects managed by the Facilities Management Division. These are typically projects aimed at large building system renovations or other projects to satisfy the occupation and life safety needs of county agencies in county managed and/or owned facilities.

SUMMARY OF PROPOSED BUDGET AND CHANGES

The MMRF CIP proposed for 2019-2020 is up about 6% compared to what was adopted in 2017-2018. The total appropriation requested is \$19.9 million. Of this amount, \$14 million is requested for projects at the County's various 24/7 facilities including the King County Courthouse, King County Correctional Facility, Maleng Regional Justice Center and the Regional Communication and Emergency Coordination Center. As Councilmembers are aware, many of these buildings, particularly the County Courthouse have a number of deficient building systems. The remainder of the budget requests are for a series of smaller projects at various county facilities including some of which include: the Barclay Dean Building, Shoreline District Court, Burien District Court, King Street Center, police precincts 3&4, and Earlington Building.

One addition to the MMRF budget request is that FMD has officially highlighted for the first time the backlog of building repair and major maintenance costs associated with major County facilities. They have shown these potential CIP costs in the out-biennium plans. There is currently a "Civic Campus Planning Group" that is meeting to discuss options and make recommendations for the downtown campus and other county buildings. Currently, FMD estimates that there is \$600 million in unfunded maintenance needs in the following amounts for the following buildings:

Facility	Backlog of Maintenance
Norm Maleng Regional Justice Center	\$139 m
King County Courthouse	\$180 m
King County Administration Building	\$58 m
Yesler Building	\$27 m
Chinook Building	\$19 m
King County Correctional Facility	\$80 m
Other Buildings	\$77 m
Total	\$600 m

KEY ISSUES

Staff has identified no key issues.

Analyst:	Miranda Leskinen
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DES TECHNOLOGY CAPITAL FUND

BUDGET TABLE

	2017-2018 Revised*	2019-2020 Proposed	% Change 2017-2018 v. 2019-2020
Budget Appropriation	\$0	\$5,478,800	N/A
Estimated Revenues	\$0	\$5,478,800	N/A
Major Revenue Sources	Bond proceeds, General Fund		
* Note: 2017-2018 Revised includes the 2017-2018 Adopted Budget plus adopted supplementals (as of transmittal of the Executive's proposed 2019-2020 budget) less one-time 2017-2018 expenditures.			

PROGRAM DESCRIPTION AND PURPOSE

The DES Technology Capital Fund (CIP Fund 3250) is a new tier two fund that was established in March 2018 (Ordinance 18662) to support technology capital projects which support the operations of DES¹.

SUMMARY OF PROPOSED BUDGET AND CHANGES

The DES Technology Capital Fund 2019-2020 proposed budget includes \$5,478,800 relating to two IT capital projects:

- Procurement Technology Modernization Project (Finance and Business Operations Division - FBOD)
- RCECC Audio Visual (AV) System Modernization (Office of Emergency Management - OEM)

FBOD - Procurement Technology Modernization Project: \$5,434,800 (bond financed) would fund modernization and integration (through Oracle) of the systems used to support the procure-to-pay (P2P) value stream.² As indicated in the project capital appropriation proposal (CAP) report, Procurement and Payables currently relies on aging applications (side systems to Oracle) to support the County's P2P business process. As further indicated, the project would enable activities across the P2P process to be handled through one system, eliminating extra steps currently taken to replicate data entry between multiple systems and making the procurement process more transparent and user-friendly.

¹ The Department of Executive Services (DES), which includes multiple divisions and offices, provides internal services to King County governments and a variety of public services to its residents.

² This project had previously been proposed during the 2017-2018 budget cycle but was not included in 2017-2018 proposed budget. In preparation for the 2019-2020 budget request, as noted in the project CAP report, FBOD partnered with a consulting firm, the Business Resource Center (BRC), and King County Information Technology (KCIT) to create a procurement modernization roadmap addressing PSB and KCIT concerns. As further noted, FBOD and BRC are also progressing with a fit-gap analysis that will give the optimal sequencing of Oracle modules and other software seen as best practices in the industry.

The project (capital) cost of \$5,434,800, which includes a 20 percent project contingency, would be debt financed over a seven-year period. FBOD (funded by service rates) would pay the debt service. FBOD, as reflected in its financial plan, is proposed to pay \$500,000 toward the project in the 2019-2020 biennium. Annual (operating) cost after project completion³ is estimated at \$105,600.⁴

OEM- RCECC Audio Visual (AV) System Modernization: \$44,000 (General Fund) would fund the planning phase of an upgrade of the audio-visual system in the Emergency Operations Center in Renton. As indicated in the fund's financial plan, it is currently anticipated that full project funding, estimated at \$2.8 million, will be requested in the 2021-2022 biennium and would be bond financed.

KEY ISSUES

Staff have identified no issues with this budget.

³ The project CAP report indicates the project is projected to be executed within two years of the start date, ending no later than December 31, 2020.

⁴ Of note, the FBOD proposed 2019-2020 budget includes a reduction of \$343,254 and 2.0 FTEs to account for current and anticipated efficiencies in procurement and accounts payable.

Analyst:	Miranda Leskinen
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REGIONAL ANIMAL SERVICES OF KING COUNTY

ANIMAL BEQUEST FUND

BUDGET TABLE

REGIONAL ANIMAL SERVICES OF KING COUNTY

	2017-2018 Revised*	2019-2020 Proposed	% Change 2017-2018 v. 2019-2020
Budget Appropriation	\$14,645,494	\$15,458,000	5.5%
Max FTE:	43.2	43.2	0.0%
Max TLTs:	0.0	0.0	N/A
Estimated Revenues	\$14,474,883	\$14,979,000	3.5%
Major Revenue Sources	Pet licensing, General Fund, city contributions		
* Note: 2017-2018 Revised includes the 2017-2018 Adopted Budget plus adopted supplementals (as of transmittal of the Executive's proposed 2019-2020 budget) less one-time 2017-2018 expenditures.			

ANIMAL BEQUEST FUND

	2017-2018 Revised*	2019-2020 Proposed	% Change 2017-2018 v. 2019-2020
Budget Appropriation	\$380,000	\$380,000	0.0%
Max FTE:	0.0	0.0	N/A
Max TLTs:	0.0	0.0	N/A
Estimated Revenues	\$280,000	\$280,000	0.0%
Major Revenue Sources	Donations		
* Note: 2017-2018 Revised includes the 2017-2018 Adopted Budget plus adopted supplementals (as of transmittal of the Executive's proposed 2019-2020 budget) less one-time 2017-2018 expenditures.			

PROGRAM DESCRIPTION AND PURPOSE

Regional Animal Services of King County (RASKC) provides regional animal services (including field response, sheltering and licensing) to unincorporated areas of the county and to 24 contract cities via Interlocal agreement (ILA).¹

RASKC established an Animal Bequest Fund for charitable donations to its program.² This fund allows donations to be transparently accounted for and provides appropriation authority so that funds may be spent as programmatic needs are identified. The Animal Bequest Fund has been registered as a 501(c)(3) nonprofit and is also part of the County's Employee Giving Program.

¹ The current ILA for 2018-2022, which includes provision for a five-year extension, was authorized by Ordinance 18548.

² The Animal Bequest Fund is authorized through K.C.C. 4A.200.130 and K.C.C. 11.02.060.

SUMMARY OF PROPOSED BUDGET AND CHANGES

The 2019-2020 proposed budget for RASKC includes \$15,458,000 and 43.2 FTEs, a 5.5 percent increase in appropriation authority and no change in FTE authority from 2017-2018. The change in appropriation authority is due to central rate adjustments. There is no increase from 2017-2018 in General Fund support for the RASKC program.³

The 2019-2020 proposed budget for the Animal Bequest Fund is \$380,000 and 0.0 FTEs, which represents no change from 2017-2018.

KEY ISSUES

Staff have identified no issues for these budgets.

³ General Fund support for the RASKC program, totaling \$5,090,000 for the 2019-2020 biennium, is included in the General Fund transfer to DES in the proposed budget.

Analyst:	Sam Porter
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OFFICE OF ECONOMIC AND FINANCIAL ANALYSIS

BUDGET TABLE

	2017-2018 Revised*	2019-2020 Proposed	% Change 2017-2018 v. 2019-2020
Budget Appropriation	\$983,498	\$1,030,525	4.8%
Max FTE:	2.5	2.5	0.0%
Max TLTs:	0	0	N/A
Estimated Revenues	N/A	N/A	N/A
Major Revenue Sources	General Fund		
* Note: 2017-2018 Revised includes the 2017-2018 Adopted Budget plus adopted supplementals (as of transmittal of the Executive's proposed 2019-2020 budget) less one-time 2017-2018 expenditures.			

PROGRAM DESCRIPTION AND PURPOSE

The Office of Economic and Financial Analysis (OEFA) is an independent office that provides accountability to the public through the production of independent, objective, and transparent economic and revenue forecasts for the County. In support of the County's Financial Stewardship goals, OEFA's work and official forecasts form the basis for the County's budgeting process. In addition to OEFA's official forecasts, OEFA conducts additional research projects and outreach efforts, such as the Regional Economics & Forecasting Forum. OEFA is directed by the County's Chief Economist, who reports to the Forecast Council, which is comprised of the Executive, two Councilmembers and one appointed individual with knowledge of the budgeting process. While OEFA does not generate their own revenue the office conducts a periodic sales tax miscode project which, since the project's inception in 2010, has generated a cumulative recovery of \$2.1 million in tax revenue.

SUMMARY OF PROPOSED BUDGET AND CHANGES

Compared to the 2018-2018 revised budget, the Executive's 2019-2020 budget proposes an approximately \$47,000 or 4.8 percent increase in budgeted expenditures with no changes to the number of FTEs and TLTs.

Aside from personnel salary and benefit rate, current position classifications, and step/merit increases, which occur for most funds, the increase for the new biennium represents increases to essential subscriptions for data services and periodicals used by OEFA.

KEY ISSUES

Staff have not identified any issues for this budget.

Analyst:	Sam Porter
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MEMBERSHIPS AND DUES

BUDGET TABLE

	2017-2018 Revised*	2019-2020 Proposed	% Change 2017-2018 v. 2019-2020
Budget Appropriation	\$1,694,791	\$1,850,000	9.2%
Max FTE:	N/A	N/A	N/A
Max TLTs:	N/A	N/A	N/A
Estimated Revenues	N/A	N/A	N/A
Major Revenue Sources	General Fund overhead model		
* Note: 2017-2018 Revised includes the 2017-2018 Adopted Budget plus adopted supplementals (as of transmittal of the Executive's proposed 2019-2020 budget) less one-time 2017-2018 expenditures.			

PROGRAM DESCRIPTION AND PURPOSE

This appropriation funds membership dues and contributions to organizations that the Executive and County Council identify as benefitting the County and its policy goals.

SUMMARY OF PROPOSED BUDGET AND CHANGES

Overall, compared to the 2017-2018 revised budget, the Executive's 2019-2020 budget proposes an approximately \$155,200 or 9.2 percent increase in expenditures. In part, this change is a result of increases of dues for the National Association of Counties (NACO), Washington Association of County Officials (WACO), the Ethnic Heritage Council, and HistoryLink. This increase is also due to new funding being provided to Tabor 100, Aerospace Alliance, and Judges for Justice as well as a \$35,000 contingency added to the Economic Development Organizations allotment. Executive staff report this contingency money may be used in the other areas of the Memberships and Dues appropriation unit if needed.

For the 2015-2016 biennium, \$330,000 were appropriated to the Economic Development Council of Seattle & King County (EDC), and \$34,000 to the Trade Development Alliance (TDA). However, Executive staff have stated that due to potential restructuring of these organizations for the upcoming biennium, a lump sum of \$350,000 is proposed to be appropriated to a general bucket for economic development organizations to be allocated at a later time.

A comparison of the revised adopted 2017-2018 amounts to the proposed 2018-2019 amounts for Memberships and Dues expenditures by organization is in Table 1 below.

Table 1. Revised 2015-2016 vs. Proposed 2017-2018 by Organization

Organization	2017-2018 Revised	2019-2020 Proposed	% Change
Economic Development Organizations <ul style="list-style-type: none"> • Greater Seattle Partnership (\$280,000) • Tabor 100 (\$100,000) • Aerospace Alliance (\$100,000) • Contingency fund buffer (\$35,000) 	\$371,000	\$515,000	38.8%
Judges for Justice	N/A	\$25,000	N/A
Puget Sound Regional Council (PSRC)	\$72,758	\$70,000	-3.8%
National Association of Counties (NACO)	\$77,250	\$80,000	3.56%
Washington Association of County Officials (WACO)	\$462,291	\$480,000	3.83%
Washington State Association of Counties (WSAC)	\$576,000	\$490,000	-1.69%
HistoryLink	\$110,000	\$140,000	27%
Ethnic Heritage Council	\$20,000	\$50,000	150%
Total	\$1,689,291	\$1,850,000	

KEY ISSUES

Staff have not identified any issues for this budget.

Analyst:	Sam Porter
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RECORDER'S OPERATION AND MAINTENANCE

BUDGET TABLE

	2017-2018 Revised*	2019-2020 Proposed	% Change 2017-2018 v. 2019-2020
Budget Appropriation	\$4,262,126	\$3,952,404	-7.3%
Max FTE:	6.5	7.0	7.7%
Max TLTs:	0.0	0.0	N/A
Estimated Revenues	\$3,610,241	\$3,543,652	-10.3%
Major Revenue Sources	Recording fees		
* Note: 2017-2018 Revised includes the 2017-2018 Adopted Budget plus adopted supplementals (as of transmittal of the Executive's proposed 2019-2020 budget) less one-time 2017-2018 expenditures.			

PROGRAM DESCRIPTION AND PURPOSE

The Recorder's Operations & Maintenance (O&M) Fund supports the Recorder's Office in the Records and Licensing Services Division of the Department of Executive Services. The fund is used for the purchase and maintenance of the document imaging and data management systems used by the Recorder's Office. In addition, the O & M fund is used for the ongoing preservation of historical documents. Most documents are now maintained in electronic format. Revenues to the O & M fund are generated by fees applied to all recorded documents, as well as a Real Estate Excise Tax (REET) Electronic Technology fee.

SUMMARY OF PROPOSED BUDGET AND CHANGES

The 2019-2020 proposed budget for the Recorder's O&M Fund is \$3,952,404 with 7 FTEs. This is a 7.3 percent decrease in appropriation authority from the 2017-2018 biennium, and a .5 increase of FTE authority. Proposed changes for the 2017-2018 largely reflect central rate and revenue adjustments. At the end of 2017 Archives replaced a previously manual process for the public to request King County historical records with a new web-based form. This change has resulted in a 21 percent increase in the number of reference requests made to Archives. In response, the proposed budget includes a request to extend the work week for four positions in Archives from 35 to 40 hours per week and convert a half-time position to full time. This proposal amounts to a \$168,605 expenditure and the .5 increase in FTE.

KEY ISSUES

Staff have not identified any issues for this budget.

Analyst:	Terra Rose
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KING COUNTY INFORMATION TECHNOLOGY

BUDGET TABLE

	2017-2018 Revised*	2019-2020 Proposed	% Change 2017-2018 v. 2019-2020
Budget Appropriation	\$194,199,379	\$215,663,000	11.1%
Max FTE:	349.2	347.6	-0.5%
Max TLTs:	0.0	0.0	N/A
Estimated Revenues	\$186,743,577	\$218,453,000	17.0%
Major Revenue Sources	Internal service charges to other county agencies		
* Note: 2017-2018 Revised includes the 2017-2018 Adopted Budget plus adopted supplementals (as of transmittal of the Executive's proposed 2019-2020 budget) less one-time 2017-2018 expenditures.			

PROGRAM DESCRIPTION AND PURPOSE

King County Information Technology (KCIT) provides technology services to the entire County. KCIT manages the County's information technology (IT) infrastructure, resources, and investments, including (but not limited to) support of the County's network, IT equipment replacement (e.g. employee laptops), and the central help desk. Services are also provided individually for interested agencies based on their specific needs.

SUMMARY OF PROPOSED BUDGET AND CHANGES

The 2019-2020 Proposed Budget for KCIT would increase by \$21.5 million, or 11.1 percent, relative to the 2017-2018 Revised Budget. FTEs are proposed to decrease slightly from 349.2 in 2017-2018 to 347.6 in 2019-2020.

Executive staff indicate that the KCIT central rate is projected to increase by 6.5 percent relative to the 2017-2018 biennium and note that the increase is, in part, due to new investments in key areas such as cybersecurity, an increase in demand countywide for IT services, and a change in vendor license methodology. However, there is wide variation in rate increases by specific County department because departmental IT usage (on which departmental rates are based) differs.

Noteworthy budget adjustments are described below:

- **Project Management and Business Analysis Staffing Increase (\$3.2M; 9.0 FTEs):** The 2019-2020 budget proposes to authorize 9.0 additional FTEs for project management and business analysis services. These positions perform a range of functions including technology project management, stakeholder coordination, project consultations, evaluation of technology solutions, and the development of business cases. Executive staff indicate that these positions typically perform work tied to specific funding sources, mostly from technology

projects for county agencies and that the new FTEs would be filled upon specific funding and revenue availability.

- **Cybersecurity Enhancement (\$3.0M; 1.0 FTE):** The County has experienced a recent stream of phishing attacks by actors hoping to gain access and control of County systems and information. This investment would allow for the reconfiguration of aspects of the County's server infrastructure and network, and the purchase of security tools and ongoing vendor services related to cybersecurity and strengthening the County's systems. The additional 1.0 FTE would be for a Staff Auditor position that would perform ongoing technical assessment of systems and applications, as well as audit cybersecurity processes and activities. Executive staff indicate that this request is to be funded by operating funds instead of capital funds because they require ongoing appropriation needs.
- **Data Infrastructure Platform (\$1.0M):** This investment would establish a platform for countywide data infrastructure. Executive staff indicate the platform would help the County locate and secure protected data for the Transit Business Intelligence Reporting Database (TBIRD), Jail Management System, and DCHS Fully Integrated Managed Care projects, as well as new data projects going forward.
- **Workstation Cost Increase (\$7.1M):** This budget request has three components: (1) the pass-through cost of peripheral technology equipment (e.g., second monitors) requested by users that are not included in the standard technology package (\$3.1M); (2) an increase in the cost of workstation enterprise licenses due to a change in vendor license methodology¹ (\$2.9M); (3) replacement of phone devices at the end of their useful life (\$1.2M).
- **Help Desk Software Transition (-\$2.9M; -9.6 FTE):** The KCIT Help Desk assists County employees with technology issues including resetting passwords, installing requested software, and fixing technology problems, and receives nearly 100,000 help tickets per year. KCIT is in process of transitioning from the existing LANDesk software used to manage its help desk service with an online portal. When the new system is online, estimated in November 2018, emailing the help desk with technology requests will be replaced by logging into the online portal which will allow for regular status updates on the requests. Executive staff indicate that online reporting of technology issues is standard throughout the industry and that this software replacement will produce a \$2.9 million efficiency and a reduction of 9.6 FTEs. The estimated savings have already been included in the 2019-2020 KCIT central rate. Striving to avoid layoffs, Executive staff note that the 9.6 FTE-reduction represents current vacant positions that are backfilled by temporary staff needed for the transition.

KEY ISSUES

Staff have not identified any issues for this budget.

¹ Some vendors, who in the past charged for their licenses based on the number of devices, have recently shifted to charging based on the number of users. Executive staff indicate that this means that the County must now pay for licenses for each conference room and for all employees who have accounts even if they do not require a workstation device or if they share a workstation with other employees.

Analyst:	Terra Rose
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PERFORMANCE, STRATEGY, AND BUDGET (PSB) TECHNOLOGY CAPITAL FUND

BUDGET TABLE

	2017-2018 Revised*	2019-2020 Proposed	% Change 2017-2018 v. 2019-2020
Budget Appropriation	\$2,502,000	\$5,476,628	118.9%
Max FTE:	N/A	N/A	N/A
Max TLTs:	N/A	N/A	N/A
Estimated Revenues	\$2,502,000	\$5,476,628	118.9%
Major Revenue Sources	Bond proceeds, general fund transfers.		
* Note: 2017-2018 Revised includes the 2017-2018 Adopted Budget plus adopted supplementals (as of transmittal of the Executive's proposed 2019-2020 budget) less one-time 2017-2018 expenditures.			

PROGRAM DESCRIPTION AND PURPOSE

The Performance, Strategy, and Budget (PSB) Technology Capital fund is comprised of technology projects sponsored by general fund agencies that do not have their own capital funds (e.g., Prosecuting Attorney's Office). The fund is managed by PSB.

SUMMARY OF PROPOSED BUDGET AND CHANGES

The PSB Technology CIP budget is proposed to increase by 118.9 percent relative to the 2017-2018 Revised Budget. This increase is due to the fact that the fund was established in February of 2018 and, as a result, has only thus far received appropriations via the 2017-2018 biennium 3rd supplemental omnibus¹.

A list of the proposed project appropriations is provided below:

Project #	Project Name	2019-2020 Proposed
1133724	Department of Public Defense Case Management System Replacement	\$3,550,000
1133959	Prosecuting Attorney's Office Data Modernization Project	\$858,780
1134041	Superior Court Jury Management System Replacement Project	\$462,000
1134042	Superior Court Courtroom Recording Replacement Project	\$605,848
Total		\$5,476,628

¹ Ordinance 18766

KEY ISSUES

Note that the projects in the PSB Technology Capital fund are not described in this staff report. If key issues with any of the projects in this fund have been identified, they are discussed in the staff report for the relevant agency.

Analyst:**Terra Rose****OFFICE OF INFORMATION RESOURCE MANAGEMENT (OIRM) CAPITAL PROJECTS****BUDGET TABLE**

	2017-2018 Revised*	2019-2020 Proposed	% Change 2017-2018 v. 2019-2020
Budget Appropriation	\$26,586,712	\$18,523,610	-30.3%
Max FTE:	N/A	N/A	N/A
Max TLTs:	N/A	N/A	N/A
Estimated Revenues	\$46,879,200	\$22,743,423	-51.5%
Major Revenue Sources	Bond proceeds		
* Note: 2017-2018 Revised includes the 2017-2018 Adopted Budget plus adopted supplementals (as of transmittal of the Executive's proposed 2019-2020 budget) less one-time 2017-2018 expenditures.			

PROGRAM DESCRIPTION AND PURPOSE

The Office of Information Resource Management (OIRM) Capital Projects fund is, in general, comprised of technology capital projects sponsored by departments and agencies that do not have their own capital funds (e.g., Department of Assessments). The fund is managed by King County Information Technology (KCIT).

SUMMARY OF PROPOSED BUDGET AND CHANGES

The OIRM Capital Projects budget is proposed to decrease by 30.3 percent relative to the 2017-2018 Revised Budget due to several projects in the fund being completed under budget resulting in disappropriations and only three projects requesting appropriations for 2019-2020. Ordinance 18662 passed by the Council earlier this year established a series of agency-specific technology capital funds, as well as the PSB Technology Capital fund. Executive staff have indicated that the intent is to phase out the use of the OIRM Capital Projects fund over time and instead use the newly established technology capital funds for greater transparency.

A list of the proposed project appropriations and disappropriations is provided below:

Project #	Project Name	2019-2020 Proposed
1047289	KCIT Information Security/Privacy Project	(\$172,165)
1111959	KCIT Assessors Tablet Personal Computers Replacement Project	(\$254,512)
1115924	Elections Equipment Replacement Project	(\$341)
1116899	KCIT Two-Factor Authentication Project	(\$83,749)
1123944	Department of Assessments Property Tax Administration System	\$18,000,000

1124187	KCIT Regional Aerials Project	(\$564,010)
1124221	Department of Community and Human Services Developmental Disabilities Division Financial System Project	(\$190,490)
1126544	Department of Executive Services Business Resource Center EBS Upgrade	(\$2,787,878)
1127457	Performance, Strategy, and Budget Project Information Center Green Building Module Project	(\$166,668)
1129762	Department of Adult and Juvenile Detention Distributed Antenna Network Phase III	\$809,811
1129763	Department of Adult and Juvenile Detention Jail Management System	\$3,933,612
Total		\$18,523,610

KEY ISSUES

Note that the projects in the OIRM Capital Projects fund are not described in this staff report. If key issues with any of the projects in this fund have been identified, they are discussed in the staff report for the relevant agency.

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Analyst:	Sahar Fathi
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HUMAN RESOURCES MANAGEMENT – EN A42000

BUDGET TABLE

	2017-2018 Revised*	2019-2020 Proposed	% Change 2017-2018 v. 2019-2020
Budget Appropriation	15,221,217	30,111,000	98%
Max FTE:	40	80	100%
Max TLTs:	3	2	-33%
Estimated Revenues	22,664,531	25,145,000	10%
Major Revenue Sources	General Fund Overhead ¹ and Internal Service Funds		
* Note: 2017-2018 Revised includes the 2017-2018 Adopted Budget plus adopted supplementals (as of transmittal of the Executive's proposed 2019-2020 budget) less one-time 2017-2018 expenditures.			

PROGRAM DESCRIPTION AND PURPOSE:

The Human Resources Management appropriation unit in the Executive's proposed budget represents the newly formed Department of Human Resources. The Council approved the reorganization of the Human Resources Division to the Department of Human Resources (DHR) on September 24, 2018.² The Department of Human Resources develops and administers the county's personnel system, employment policies, countywide training, organizational development, workplace safety programs, and the County's benefits and worker's comp programs.³ Also included within DHR are Employee Benefits and the Safety and Claims Management program, each of which is a separate appropriation unit in the Executive's proposed budget and the subject of a separate staff report.

SUMMARY OF PROPOSED BUDGET AND CHANGES

DHR's budget is proposed to increase by 98%. The Executive has included significant investment in their "Investing in YOU" initiative – a series of strategic focus areas around:

- Workplace culture
- Racially diverse and culturally responsive workforce at all levels
- Learning and growth
- Employee health, well-being and safety

¹ The General Fund overhead model is used to recover costs from all other funds. Costs supported by the General Fund overhead model are divided with approximately 30 percent supported by the General Fund and 70 percent supported by all other funds.

² Ordinance 18793

³ K.C.C. 2.16.035(C)

- Total compensation, and
- Business operating systems.

As part of the Executive's "Investing in YOU" initiative, HR functions have largely been centralized, resulting in the transfer of staff from other departments and agencies to the Human Resources Department. In sum, 22 staff will be relocating to DHR, and there are an additional 18 requests for additional staff in the proposed budget.

Overall, the Executive has noted challenges in hiring and retaining the workforce at King County. There has been an increase in retirement over the last 3-5 years and a steady increase in voluntary resignations (that was not predicted). To the extent that departments had pre-existing funding, those departments have also included requests to add capacity and training in their HR work.

KEY ISSUES

ISSUE 1 – REORGANIZATION OF NEW DEPARTMENT OF HUMAN RESOURCES AND PROPOSED NEW POSITIONS AND FUNDING FOR THE INVESTING IN YOU INITIATIVE, \$14,360,968 AND 40 FTE

Table 1 illustrates transfers into the Department of Human Resources from other departments and funds with no substantive net financial impact. The major transfer noted below is of 10 FTEs to centralize HR Delivery Managers. A total of 10 HR managers across the following agencies will be redirected to report to the new DHR starting in January 2019 (in no particular order):

- Department of Community and Human Services (DCHS)
- Department of Public Defense (DPD)
- Department of Information Technology (KCIT)
- Department of Adult and Juvenile Detention (DAJD)
- Department of Executive Services (DES)
- Department of Local Services (DLS- Roads)
- Department of Natural Resources and Parks (DNRP)
- Metro Transit Department (Metro)
- Public Health – Seattle and King County (PHSKC)
- Office of the Executive

Although these positions will report to the director, an HR Manager IV is currently being hired to manage the day to day work for these staff.

In addition there are four positions transferring from the Alternative Dispute Resolution program, which is currently in the Department of Executive Services, an additional four positions from the Benefits, Personnel and Retirement Operations Section, which is currently in Finance and Business Operations, and another five positions from Employee Benefits. These positions are meant to manage their work more centrally from DHR, across departments.

Table 1: Transfers In from Other Departments/Funds

	Appropriation	FTE
HR Delivery Manager Transfers	\$3,792,782	10
Alternative Dispute Resolution (ADR) Transfers	\$1,518,714	4
Benefits, Personnel and Retirement Operations Section (BPROS) Transfers	\$858,132	3
Employee Benefits Transfers	\$1,822,801	5
Total	\$7,992,429	22

Table 2 below illustrates new department backed positions being added to DHR. There are three positions being discussed in this table – the first position is expected to support the HR needs of the Departments of Judicial Administration (DJA), Assessments, and Elections as part of the centralization of HR managers. This position is 100 percent funded by the General Fund.

The additional two staff are for the Sheriff's office to build their HR capacity – these two staff would be partially backed by contract revenue. According to Section 4.3 of the Civil Service Commission Rules, the DHR Director is liable for the hiring process in the Sheriff's office.

Table 2: New department backed positions

	Appropriation	FTE
HR Contract Services for DJA, Assessments and Elections	\$384,968	1
Sheriff's Office Civil Process and Recruiting	\$755,017	2
Total	\$1,139,985	3

Table 3 represents the changes to DHR that are intended to support the new organizational structure. One position is being transferred from Employee Benefits and vacant positions are being repurposed to create the Career and Culture Division; Health, Well-Being and Safety Division; and Service Delivery Division.

Table 4 illustrates the Investing in YOU FTE adds and funding adds that have been identified by the Executive. The Executive has proposed creating a new conflict management team of six staff who will work across departments to support healthy conflict engagement, leadership development and workplace culture. In addition two recruitment staff are proposed to be added to the Department, two positions to expand Equity and Social Justice training, and two additional staff to increase the County's workforce equity team to three staff (from one staff person). Finally, there are two

confidential secretary positions and one position to support recruitment management across all of the departments so that there is more consistency and coordination across recruitment efforts.

There are two funding additions outside of FTEs as well – one is \$150,000 for a one-year pilot program to support employee training, education and professional development and was negotiated with labor partners as part of the master labor agreement. The other addition is for \$59,500 for a restorative youth scholarship stipend. These funds will supplement revenues from community partners and training participants.

Table 3: Organizational Structure Adds

	Appropriation	FTE
Organizational Structure	\$805,358	2
Total	\$805,358	2

Table 4: Investing in YOU initiatives

	Appropriation	FTE
Investing in YOU	\$4,124,154	13
Employee Training and Scholarship Pilot	\$150,000	0
Restorative Youth Scholarship	\$59,500	0
Total	\$4,333,654	13

ISSUE 2 –ADDITIONAL HR AND INVESTING IN YOU STAFF ACROSS AGENCIES AND DEPARTMENTS

In addition to the additional staff in DHR, departments across the county that have additional funding and capacity needs have also proposed adding FTEs to support HR, as well as funds for training and support. Departments in bold are also part of the HR Manager centralization. Departments noted with an asterisk (*) were all identified by their respective departments as consistent with the Investing in YOU initiative. The Executive has indicated that not all of these adds were coordinated with the DHR reorganization.

Table 1: Additional HR Staff Added to Departments

Department	FTE#	FTE appropriation	Training/Programming	Training/ programming appropriation
DCHS*	1	\$367,119		
DPH*	2	\$568,678		
DES	2	\$573,023		

Prosecuting Attorney*	1	\$258,414		
Parks*	3	\$471,460	Increasing the current training budget to encourage employees to seek opportunities for career growth.	\$25,000
Solid Waste*	2	\$405,473		
Facilities Management*	2	\$591,921	External investigations.	\$100,000
Transit*	16	\$2,523,102	Wellness Centers.	\$4,320,000
Wastewater Treatment*			Enhance Wastewater's Investing In You commitments to its workforce.	\$1,025,721
DNRP	1	0 (position is noted as unbudgeted)		
Total	30	\$5,579,190		\$5,470,721

Finally, it should be noted that Facilities Management has requested \$3 million for renovations, some of which is to be allocated for the relocation and expansion of HR staff and DHR.

Analyst:	Sahar Fathi
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EMPLOYEE BENEFITS

BUDGET TABLE

	2017-2018 Revised*	2019-2020 Proposed	% Change 2017-2018 v. 2019-2020
Budget Appropriation	\$566,616,344	\$612,985,000	8%
Max FTEs:	15	14	-7%
Max TLTs:	3	0	-100%
Estimated Revenues	\$537,570,446	\$577,868,000	7%
Major Revenue Sources	Per-employee funding rate across agencies, benefit premiums paid by employees.		
* Note: 2017-2018 Revised includes the 2017-2018 Adopted Budget plus adopted supplementals (as of transmittal of the Executive's proposed 2019-2020 budget) less one-time 2017-2018 expenditures.			

PROGRAM DESCRIPTION AND PURPOSE

Employee Benefits manages the County's medical benefits programs and oversees strategic initiatives to control benefit costs and improve employee health and well-being. The fund is supported by revenues from employer and employee contributions, makes payments for health services and internal programs, and manages dedicated fund balances for the County's bargaining groups. The Benefits Fund is governed by KCC 4AA.200.270 in addition to a Joint Labor Management Insurance Committee (JLMIC) MOA (Memorandum of Agreement), an ATU (Amalgamated Transit Union) MOA, and the Deputy Sheriff contract.

Employee Benefits is located in the Human Resources Department (HRD). Also included within HRD are the Human Resources Management appropriation unit and the Safety and Claims Management appropriation unit, each of which is the subject of a separate staff report.

SUMMARY OF PROPOSED BUDGET AND CHANGES

The Executive's proposed budget would increase the Employee Benefits appropriation by 8 percent, the bulk of which is an increase in the budgeted claim expenditures for the County's benefit program, per the latest actuarial forecast. In addition, \$1.6 million is slated to establish the budget structure for the DHR Director's Office. This \$1.6 million transfers four positions back to the General Fund. An additional \$331,016 is identified to transfer one finance manager position to the General Fund, to be repurposed as the DHR chief financial officer.

There are two new positions proposed to be added to the Employee Benefits appropriation unit. One is a new counselor position to improve customer wait times and the other is a confidential support service staff person for the Employee Health and Well Being division director. The proposed budget for these 2.0 FTEs is \$530,416.

KEY ISSUES

Staff has identified no key issues.

Analyst:	Jenny Giambattista
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EXECUTIVE SERVICES ADMINISTRATION

BUDGET TABLE

	2017-2018 Revised*	2019-2020 Proposed	% Change 2017-2018 v. 2019-2020
Budget Appropriation	\$4,836,222	\$4,792,000	-0.91%
Max FTE:	13	13	N/A
Max TLTs:	0	0	N/A
Estimated Revenues	\$190,000	\$1,629,000	757.37%
Major Revenue Sources	Internal service charges to other agencies		
* Note: 2017-2018 Revised includes the 2017-2018 Adopted Budget plus adopted supplementals (as of transmittal of the Executive's proposed 2019-2020 budget) less one-time 2017-2018 expenditures.			

PROGRAM DESCRIPTION AND PURPOSE

The Department of Executive Services (DES) Administration provides leadership, communication, government relations, human resource, budget and finance, and other services to the divisions and offices that make up the Department of Executive Services. DES includes the following offices and divisions: Records and Licensing Services Division (RALS); Finance and Business Operations Division (FBOD); King County International Airport (KCIA); Facilities Management Division (FMD); Office of Risk Management Services (ORMS); Office of Emergency Management (OEM); Business Resource Center (BRC); and Fleet Services. As a result of the larger county-wide reorganization, Fleet Services and KCIA are added to DES and the Human Resources Division and the Office of Alternative Dispute Resolution are taken out of DES.

SUMMARY OF PROPOSED BUDGET AND CHANGES

The DES Administration budget is proposed to decrease by just under 1 percent. The budget for DES Administration reflects changes to the composition of DES. In order to support the two newly added divisions of KCIA and Fleet, DES is requesting \$1,629,683 and 5 positions. These positions are revenue backed from Fleet and KCIA and according to PSB represent the same cost (with inflation) the divisions were paying to the Department Of Transportation (DOT) Director's Office for these services when their divisions were within DOT.

The DES Administration budget also includes 1 TLT position for an Inquest Process Administrator. This position and the Executive's proposed new inquest process is discussed below.

KEY ISSUES

ISSUE 1 – NEW INQUEST PROCESS: \$293,000 AND 1.0 TLT

The purpose of an inquest is to provide an open public forum, overseen by a neutral official, to shed light on the facts surrounding a death involving law enforcement. The authority for an inquest can be found in the Revised Code of Washington (RCW)¹, King County Code², the King County Charter³, and executive orders. On December 12, 2017 in response to concerns over the inquest process the Executive announced the creation of a King County Inquest Process Review Committee to study and make recommendations for improving the inquest process. All inquests were temporarily halted in January 2018 in order for the Executive to develop a new inquest process. The Committee completed their report on March 30, 2018.

The 2018 First Omnibus (Ordinance 18766) included \$130,000 for pro tem judges and lawyers for a new inquest process. The Council adopted the following expenditure restriction for the appropriation:

“Of this appropriation, \$130,000 shall not be expended or encumbered until the Executive transmits a plan for the new process and a motion that should acknowledge receipt of the plan and the motion is passed by the Council.

The required motion has not been transmitted as of the writing of this staff report.

On October 3rd, the Executive announced a new Executive Order⁴ to guide the inquest process. Under the new executive order, inquests will be administered by Department of Executive Services. District Court judges will no longer preside over inquest hearings. Instead, a pool of pro tem judges will serve as the Inquest Administrator and oversee an inquest and serve as the neutral decision-maker. Inquests will still be heard by a jury.

The 2019-2020 budget includes 1 TLT position for an Inquest Process Administrator in the DES Administration budget. This position will be funded with \$293,000 from the internal support appropriation. This position will oversee the inquest program, assign an administrator and pro tem attorney to a particular inquest, provide clerical support to administrator and pro tem attorney and report annually to the County Executive.

Council staff have asked for information on any additional expenses included in the 2019-2020 related to the revised inquest process.

¹ RCW 36.24.020

² King County Code 2.35A.090

³ King County Charter Section 895

⁴ Executive Order PHL-7-1-2-EO

Analyst:	Pat Hamacher
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BUILDING REPAIR & REPLACEMENT SUBFUND

BUDGET TABLE

	2017-2018 Revised*	2019-2020 Proposed	% Change 2017-2018 v. 2019-2020
Budget Appropriation	\$84,505,283	\$38,811,345	-54.1%
Max FTEs:	N/A	N/A	N/A
Max TLTs:	N/A	N/A	N/A
Estimated Revenues	\$42,621,036	\$38,811,345	-8.9%
Major Revenue Sources	Revenues are paid by the fund requesting the work.		
* Note: 2017-2018 Revised includes the 2017-2018 Adopted Budget plus adopted supplementals (as of transmittal of the Executive's proposed 2019-2020 budget) less one-time 2017-2018 expenditures.			

PROGRAM DESCRIPTION AND PURPOSE

The Building Repair and Replacement Subfund Capital Improvement Program (BR&R) is a program managed by the Facilities Management Division and is used to budget for major renovations, large capital projects, space relocations and other programmatic changes across the County.

SUMMARY OF PROPOSED BUDGET AND CHANGES

The BR&R CIP has several large projects contained within the overall \$38 million appropriation. Most of the appropriation is contained within the following projects:

Children & Family Justice Center Cost Overrun.	\$22.40 m
Civic Campus Planning Efforts	\$3.00 m
PSERN In Building Coverage for County Buildings	\$2.50 m
Renovations at Boeing Field	\$0.75 m
Admin Building 6 th Floor Remodel for Finance & Business Operation Division & Department of Human Resources	\$3.00 m
Downtown Public Health Dental Clinic	\$0.70 m
Energy Efficient Lighting in County Buildings	\$4.60 m
Study of West Wing of KCCF	\$1.10 m
Total	\$38.00 m

KEY ISSUES

ISSUE 1 – CFJC COST OVERRUNS: \$22.4 M

In 2012 the voters of King County approved Proposition 1 which authorized the construction of a new youth detention facility, courthouse and parking garage at 12th and Alder in the City of Seattle. This project would replace dilapidated buildings and reduce the overall size of the youth detention facility. The project was originally estimated to cost approximately \$219 million. The 2019-2020 budget request from the executive includes a supplemental appropriation request in the amount of \$22.4 million. This is estimated to complete the remainder of the project which is expected to open in October 2019.

According to the Executive, there are a number of factors that have led to higher than anticipated construction costs. These are included in the table below.

CFJC Cost Overruns	
Design Changes	8,902,406
Borrowing Costs - Interfund Loan	4,000,000
Contaminated Soil Remediation	3,438,651
Additional Contingency	3,072,501
State Sick Leave Law	2,028,000
Unanticipated Legal Costs	1,225,000
PLA Associated Costs	442,602
Security Costs	628,300
Costs Savings (City Light & FMD)	(884,561)
Remaining Project Balance	(486,956)
Total	22,365,943

The largest change to the project itself is a redesign of the parking garage which required a \$5 million change order. The Executive chose this option due to the difficulty of returning to the City of Seattle for a revision to the Master Use Permit (MUP) that otherwise would have been necessary. The other large changes to the project include unanticipated borrowing costs, higher than expected soil remediation costs and changes to the State's sick leave law that increased costs for the contractors and sub-contractors.

To fund the additional costs, the Executive is relying on the following:

Revenue Options for CFJC	
Updated Levy Forecast (July 2018)	714,000
Seattle Public Schools	1,000,000
Interest Earnings to Date	1,494,221
Property Sales	24,021,800
Total	27,230,021

Based upon these current projections, the project will still have approximately \$5 million to return to the county general fund from the sale proceeds. There are several unknown factors in these estimates, including: 1) whether there will be future cost overruns above and beyond the requested additional contingency, 2) the ultimate sale price of the property, the ultimate outcome of the State Supreme Court cases related to the validity of the levy itself. This projects remains at a high-risk for future issues.

ISSUE 2 – ENERGY EFFICIENT LIGHTING IN COUNTY BUILDINGS \$4.6 M

The Executive has proposed spending \$4.6 million on energy efficient lighting during the next biennium. This program is aimed at reducing long-term energy costs and helping the County meet its energy efficiency goals. While the specific projects have yet to be identified, this is an estimate of costs to convert most county building to more energy efficient lighting standards. The project is funded by the FMD rate model and potentially bonds, but a significant portion of the costs would ultimately be incurred by the County general fund. The Executive has estimated that the savings from more efficient lighting would be paid off within ten years.

ISSUE 3 – WEST WING STUDY OF THE KING COUNTY CORRECTIONAL FACILITY \$1.1 M

The Executive has proposed spending \$1.1 million of general fund monies to study the potential uses and costs of reopening the west wing of the King County Correctional Facility located in downtown Seattle. The West Wing has gone unused for more than ten years and the Executive has identified several potential uses for the facility. These potential uses include: homeless sheltering/housing, work education and release (WER), arraignment court, and community corrections. This appropriation would provide an initial study identifying the possibility of these potential uses and cost estimates that would be needed to move forward with a selected option.

Analyst:	Andrew Kim
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OFFICE OF EQUITY AND SOCIAL JUSTICE

BUDGET TABLE

	2017-2018 Revised*	2019-2020 Proposed	% Change 2017-2018 v. 2019-2020
Budget Appropriation	\$2,567,331	\$4,074,000	58.7%
Max FTEs:	7.0	8.0	14.3%
Max TLTs:	0.0	1.0	100.0%
Estimated Revenues	N/A	N/A	N/A
Major Revenue Sources	General Fund		
*Note: 2017-2018 Revised includes the 2017-2018 Adopted Budget plus adopted supplementals (as of transmittal of the Executive's proposed 2019-2020 budget) less one-time 2017-2018 expenditures.			

PROGRAM DESCRIPTION AND PURPOSE

The Office of Equity and Social Justice (OESJ) leads the implementation of the Equity and Social Justice Strategic Plan and serves as the main resource, strategic advisor, and coordinator of key county efforts to advance equity in the organization and community. The office leads and supports the application of a racial equity lens in County policies, practices, and procedures; the integration of immigrant and refugee populations; and the enforcement and realization of civil rights.

SUMMARY OF PROPOSED BUDGET AND CHANGES

The OESJ budget is proposed to increase by 58.7% (approximately \$1.5 million) which includes a 1.0 increase in FTEs (14.3%) compared to the 2017-2018 budget. The increase is mostly attributable to approximately \$1 million for several new ESJ countywide initiatives. The details of those initiatives will be described in the Key Issues section below. The remainder of the increase is due to inflationary and central rate adjustments. It should be noted that the executive transmitted an accompanying proposed ordinance with the proposed budget which would codify the establishment of the OESJ and allow OESJ to assume the duties of the office of civil rights which would be changed to a program under OESJ through the same proposed ordinance.¹

Of note, during the 2017-2018 biennium budget, council adopted a supplemental budget ordinance to appropriate a one-time \$750,000 of General Fund moneys to support immigrant and refugees and also to contract with the Seattle Foundation to establish a "Resilience Fund" for urgent needs of immigrants and refugees². For the 2017-2018 2nd Omnibus, the council appropriated an additional \$250,000 using Human Services Levy

¹ Proposed Ordinance 2018-0485, transmitted September 24, 2018.

² Ordinance 18499, enacted April 28, 2017

funds for this effort.³ An OESJ proposal for a one-time \$400,000 funding to continue this effort was not included in the executive proposed budget. However, OESJ staff has stated that dedicated funding has been allocated for legal expenses for immigrant and refugees through the Veterans Seniors, and Human Services Levy funds throughout the term of the levy.

KEY ISSUES

ISSUE 1 – NEW COUNTYWIDE ESJ INITIATIVES: \$1,014,000 & 1.0 FTE AND 1.0 TLT

For the 2019-2020 proposed budget, the executive is proposing to appropriate approximately \$1 million of General Fund for the following four new ESJ countywide initiatives to address key equity and social justice gaps and opportunities in the county:

- **\$250,000** to provide resources to advance equity in Native American/Alaska Native, Tribal, and Native-born African American Communities. King County's 2015 Determinants of Equity Report identified deep disparities between white residents and communities of color across key indicators of well-being. Disparities were most consistent and pronounced in Native and African American populations. Recent data on health outcomes, income and wealth accumulation, housing, and detention rates for both adults and youth, show persisting inequities and, by some measures, worsening for the county's Native American/Alaska Native and US-born African American communities. Executive staff state that this appropriation would be used to address these disparities to create a sustainable funding source for direct investment in community partnerships. It should be noted that the OESJ proposal for an additional \$350,000 to hire 1.0 FTE Native American Policy Advisor was not included in the executive proposed budget.
- **\$200,000** to provide funding to build resiliency and capacity for people of color (POC)/Native American employees at King County. The budget book narrative states that this would create a sustainable program consisting of workshops, capacity building and professional development for the POC/Native American county workforce affected by institutional and structural racism.
- **\$305,000 and 1.0 TLT** for a language access coordinator to act as a compliance officer to ensure that the county meets its mandated obligations and will work with departments and agencies to develop plans and systems for providing language access, maintaining quality control and sustaining the county's commitments to equitably serve all residents, regardless of language ability. It should be noted that the OESJ proposal for an additional 0.5 FTE for a Community Outreach & Media Coordinator to manage specific aspects of the Language Access Program including connecting to ethnic media and building a strong relationship for outreach purposes, was not included in the proposed budget.
- **\$259,000 and 1.0 FTE** to improve internal monitoring and reporting for the ESJ Strategic Plan implementation through system administration of the newly

³ Ordinance 18602, enacted November 16, 2017.

established Cascade internal reporting platform. Duties would include user onboarding, ongoing training, and user support and the position would also provide critical OESJ administrative support.

Analyst:	Sam Porter
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RECORDS AND LICENSING SERVICES

BUDGET TABLE

	2017-2018 Revised*	2019-2020 Proposed	% Change 2017-2018 v. 2019-2020
Budget Appropriation	\$23,852,775	\$27,892,000	16.9%
Max FTEs:	81.5	88.0	8.0%
Max TLTs:	0.0	0.0	N/A
Estimated Revenues	\$51,311,586	\$52,928,000	3.2%
Major Revenue Sources	General Fund, Fees		
* Note: 2017-2018 Revised includes the 2017-2018 Adopted Budget plus adopted supplementals (as of transmittal of the Executive's proposed 2019-2020 budget) less one-time 2017-2018 expenditures.			

PROGRAM DESCRIPTION AND PURPOSE

The Records and Licensing Services Division (RALS) of the Department of Executive Services provides services to the public and internal customers in four sections: Vehicle/Vessel Licensing and for-hire Driver Licensing; the Recorder's Office, which issues marriage licenses, records, preserves and reproduces documents, and collects Real Estate Excise Taxes (REET); Archives, Records Management and Mail Services, which maintains historic records and provides internal mail service; and Regional Animal Services of King County (RASKC). RASKC and Recorder's Operations and Maintenance are analyzed separately because they each have a separate fund.

SUMMARY OF PROPOSED BUDGET AND CHANGES

The 2019-2020 proposed budget for RALS is \$27,892,000, a 16.9 percent increase in appropriation authority from the 2017-2018 biennium, with 6.5 additional FTEs. Other proposed changes are largely due to staffing, and technical adjustments. Of note, RALS General Fund projected revenue for document recording fees is increasing by \$590,000 due to an increase in fees by the state legislature. The revenue from document recording fees that goes toward homelessness and affordable housing is reflected in the Department of Community and Human Services (DCHS) budgets. The U.S. Department of Homeland Security has also authorized an increase in passport fees which is expected to result in a \$330,000 increase in General Fund revenue for RALS.

Proposed staffing changes are as follows:

Direct Service Changes (revenue-backed)

For-Hire Transportation Positions | \$1,209,619 for 4.0 FTEs

1. **License Inspector Supervisor** – Position Cost \$259,608 – This position would supervise the overall inspection program and three Field Inspectors focused on enforcement, education and compliance, complaint investigations and follow up,

handling Hearing Examiner proceedings, conducting field compliance and regulatory licensing reviews.

2. **Business Analyst** – Position Cost \$294,556 – This position would perform policy review, conduct research, and assess legislative impacts of proposed legislation; as well as draft reports, position papers, and public rules that relate to regional for-hire transportation regulations.
3. **Outreach Educator Consultant** – Position Cost \$238,005 – This position would be responsible for customer and stakeholder communications, education, and outreach.
4. **Government Relations Officer, Sr.** – Position Cost \$417,452 – This position would serve as the primary liaison between KC RALS, regulators, policy makers and industry representatives, on for-hire regulations, policy and innovation. This position would work with local and state government officials to align for-hire transportation policy, establish/expand interlocal agreements to create a more regional regulatory framework, and facilitate ongoing regulatory alignment with the dynamic changes occurring with shared mobility and for-hire transportation services.

Verification and Indexing Position | \$184,642 for 1.0 FTE

RALS is requesting one position to perform more verification and indexing of recorded documents in the new Recorder's Office System.

Community Service Center, Passport Position | \$184,642 for 1.0 FTE

RALS is requesting one customer service specialist position to improve customer service and to meet growing passport customer demand.

Records Center Position Capacity Expansion | \$143,278 for 0.5 FTE

RALS is requesting \$143,278 to convert a half-time position to full time and change the workweek of the existing three Records Center staff from 35 to 40 hours per week. This is to accommodate increased travel time between the Courthouse complex in Pioneer Square and the new Records Center warehouse located outside the downtown core.¹

KEY ISSUES

ISSUE 1 – REQUEST TO ADD FOUR MOBILITY STRATEGY POSITIONS: \$1,209,619 AND 4.0 FTEs

In response to the ongoing, increased workload resulting from the growth of the Transportation Network Company (TNC) industry, RALS is requesting four revenue-backed positions to support this line of business. Executive staff report that RALS For-hire Licensing group processed 63,000 TNC driver applications in 2017 and 64,000 applications have been received through September 2018. Executive staff indicate that "the addition of these new positions in the Licensing Section will enable King County to lead and influence changes in regulations impacting the for-hire industry locally and at

¹ Ordinance 18631 was approved December 14, 2017 which authorized the sale of the King County's property on 1215 East Fir Street (previously the King County Records Center) and a 10-year lease agreement for the current location of the Records Center in South Seattle.

the state level, and to help align our local and regional interests with the broader multi-model regional mobility marketplace."

It should be noted that effective October 1, 2018 RALS enacted regulatory fee changes per King County Code 4A.750.100 to reduce fees charged to taxicab, for-hire, and TNC drivers and companies². RALS reports that the fee changes were prepared and implemented after the Executive Proposed budget was being prepared for transmittal. As such, the revenue estimates in the 2019-2020 Proposed Budget are reflective of estimates based on previous rates and are higher than the revenue estimates based on the reduced fee rates.

² Notice of Regulatory Fee Changes - King County Code 4A.750.100, accessed October 3, 2018, <https://kingcounty.gov/depts/records-licensing/licensing/taxi-for-hire-transportation-networks/notices-regulations.aspx>

Analyst:	Sam Porter
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DEPARTMENT OF ASSESSMENTS

BUDGET TABLE

	2017-2018 Revised*	2019-2020 Proposed	% Change 2017-2018 v. 2019-2020
Budget Appropriation	\$55,140,982	\$60,193,000	9.2%
Max FTEs:	213.0	213.0	N/A
Max TLTs:	0.0	0.0	N/A
Estimated Revenues	\$4,570,572	\$2,993,000	-34.5%
Major Revenue Sources	General fund and internal service charges		
* Note: 2017-2018 Revised includes the 2017-2018 Adopted Budget plus adopted supplementals (as of transmittal of the Executive's proposed 2019-2020 budget) less one-time 2017-2018 expenditures.			

PROGRAM DESCRIPTION AND PURPOSE

The Department of Assessments (DOA) values all properties in King County in order to produce the property tax rolls for more than 163 separate taxing districts within King County, resulting in the collection of nearly \$5.6 billion in taxes in 2018 for public services such as school, transportation, public safety, and parks. DOA is led by an independently elected Assessor and staffed by 213 employees. Taxing districts served by DOA include school districts, fire and hospital districts, cities, and King County. DOA also responds to property tax appeals and provides property tax exemption services.

SUMMARY OF PROPOSED BUDGET AND CHANGES

The proposed 2019-2020 budget of \$60.2 million for DOA represents a 9.2 percent (approximately \$5 million) increase over the 2017-2018 revised budget. The largest change to the DOA budget was a central rate increase of \$1 million. Other changes to the budget are outlined below.

Direct Service Changes

- \$200,000 for a pilot program to reinstate \$100,000 per year of overtime to increase the capture of new construction property taxes. DOA staff report that the overtime increase would generate an estimated \$400,000 in new general fund property tax revenue, along with \$1,000,000 in revenue across all County funds.
- \$200,000 to fund the addition of a property tax transparency tool to the LocalScape dashboard. This feature would allow the public to see an estimated impact of proposed property taxes on individual parcels prior to voting on ballot measures.

Notable Administrative Service Changes

- \$213,000 to replace iPads at the end of their useful life that are used by appraisers in the field.

- \$210,000 for the DOA's share of the biennial King County flyover photography that provides necessary images for the County's GIS program.
- \$296,535 to increase the budget for IT application enhancement projects under \$250,000 (part of the KCIT Central Rate) which include enhancements and continued operations of the DOAs IT applications and side systems.

Standalone IT Capital Project

DOA is requesting \$18 million to replace the existing Property Based System software platform that is used to collect nearly \$6 billion in annual property tax revenue. This request for a modernized Property Tax Administration System (PTAS) is comprised of the following:

- \$234,000 to complete the planning and design phases of the project;
- \$14.8 million for implementation which include:
 - \$10 million for the technology solution;
 - \$3.8 million for KCIT resources;
 - \$820,000 for DOA and Treasury TLT resources; and
 - \$180,000 for Core MC2; and
- \$3 million for contingency.

Note that the budget summary table includes only operating costs and does not capture the cost of the technology capital project described in this staff report. That cost is captured in the staff report for the OIRM Capital Projects fund, which is a fund for departments and agencies that do not have their own capital funds.

KEY ISSUES

ISSUE 1 – PROPERTY TAX ADMINISTRATION SYSTEM (PTAS): \$18 MILLION

The 2019-2020 proposed budget includes \$18 million for the PTAS modernization effort to implement a tax administration solution. The department reports that the current system relies on aging application code, multiple side systems, and lacks a single system of record which makes it "very difficult to maintain." According to the capital appropriation proposal, the primary benefit of seeking a new PTAS is to avoid catastrophic failure of the County's current system. The most likely failure would be an internal code malfunction of the current system which would lead to calculation issues, export issues, entry issues, or balancing issues. Balancing issues would result in incorrect bills for individual taxpayers and incorrect disbursements to taxing districts. According to Assessor staff a total system failure could lead to reverting to the previous year's tax roll (issuing the same tax bill as the previous year) which would be out of compliance with state law and be costly.

Additional benefits are "greater efficiency, simplified workflows, higher satisfaction rates, increased accuracy, and better reliability." Regarding efficiency, the department reports that, "some business processes supported by the system should take days to complete (or even hours), but currently require weeks of intense labor." They describe further that standard services such as refunds, name and address changes, and senior citizen exemption application decisions currently take between three and six months but will be reduced to four to six weeks in an online self-service platform in the new system. This

project has a total of 511 business requirements for the new PTAS, 90% of which are driven by law. For example, annual revaluation of property requires that the PTAS must be able to maintain and manage distinct appraised value and taxable values of parcels through business rule configuration, processes, and calculated fields.

There are three project risks identified by DOA including complexity, cost, and schedule. The current PTAS relies on multiple interdependencies and aging software (some of which is 25 years old) resulting in significant replacement complexity. This is being mitigated by the department developing detailed plans for data migration, change management, implementation, and decommission of the existing system. The proposed cost of the project is a risk because it may not garner RFP responses from vendors resulting in limited solutions for the county to choose from. However, DOA opened the bids on September 27 and reports there were submissions in the price range requested. The project has a designated schedule of 24 months which the department acknowledges may be difficult given the complexity of the project. This is being mitigated by gathering business requirements in parallel to the vendor selection process. Based on the risks, the project includes a 20 percent contingency.

According to the request this project would be bond financed.

Analyst:**Terra Rose****INFORMATION TECHNOLOGY SERVICES (ITS) CAPITAL****BUDGET TABLE**

	2017-2018 Revised*	2019-2020 Proposed	% Change 2017-2018 v. 2019-2020
Budget Appropriation	\$9,002,203	\$5,616,235	-37.6%
Max FTE:	N/A	N/A	N/A
Max TLTs:	N/A	N/A	N/A
Estimated Revenues	\$8,445,369	\$5,618,518	-33.5%
Major Revenue Sources	Internal service charges to county agencies.		
* Note: 2017-2018 Revised includes the 2017-2018 Adopted Budget plus adopted supplementals (as of transmittal of the Executive's proposed 2019-2020 budget) less one-time 2017-2018 expenditures.			

PROGRAM DESCRIPTION AND PURPOSE

The Information Technology Services (ITS) CIP fund supports enterprise technology capital projects (e.g., related to the King County website) and enterprise equipment replacement (e.g., related to the County's servers or network) that are countywide in scope. The fund is managed by King County Information Technology (KCIT).

SUMMARY OF PROPOSED BUDGET AND CHANGES

The ITS CIP budget is proposed to decrease by 37.6 percent relative to the 2017-2018 Revised Budget. The majority of the proposed appropriation is related to replacing network equipment (\$1.5M), server infrastructure (\$1.8M), and I-Net¹ equipment (\$691,000) that Executive staff indicate is at the end of its useful life. Additionally, \$1.3 million is proposed to be used to upgrade the kingcounty.gov website platform.

KEY ISSUES**ISSUE 1 – KINGCOUNTY.GOV UPGRADE PROJECT: \$1.3M (CAPITAL) AND \$1.2M (ONGOING OPERATING)**

The County's website is a primary source of information for King County employees, government agencies, and members of the public, and is used by over 14 million people per year. As noted above, \$1.3 million is proposed to be used to upgrade the kingcounty.gov website platform and migrate the existing web content. Executive staff indicate that this upgrade is a technical necessity due to the fact that the current platform will be out of support by the end of the year. An additional project benefit is that

¹ I-Net is the County's Institutional Network that provides high-speed internet access to public facilities in the County such as schools, libraries, government agencies, and nonprofits.

the upgrade would ensure that more website content was compliant with the Americans with Disabilities Act.

The project documentation notes that the biggest risk with this project is related to migrating the content and proposes to use a test environment for migration with the goal that there will be minimal disruption before publishing live content. KCIT plans to use an outside consultant that is experienced in the platform and in content migration. Executive staff further indicate that no negative public impacts are anticipated (for example, web links are expected to remain the same). If approved, the project is proposed to begin in January 2019 with an estimated completion in mid-2020.

The requested \$1.3 million for the upgrade includes a 20 percent contingency. Of the \$1.3 million requested, the estimated general fund impact is approximately \$430,000. Based on the project risks, the project documentation indicates that the certainty of the cost estimate is approximately 75 percent. In addition to the capital costs for this project, \$1.2 million in ongoing maintenance costs is proposed in the KCIT operating budget.

Future appropriation requests related to content cleanup and increasing language translation on the website is expected in future budget ordinances, but these tasks are not included in the scope of this request.

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