



King County

Metropolitan King County Council General Fund and General Government Panel of the Budget and Fiscal Management Committee Wednesday, October 8, 2014 – 9:30 A.M.

Councilmembers: Kathy Lambert, Chair; Joe McDermott, Vice Chair;
Larry Gossett; Pete von Reichbauer

Staff: Mary Bourguignon (477-0873), Panel Lead;
Patrick Hamacher (477-0880), Budget Manager;
Wendy Soo Hoo (477-0890), Deputy Budget Manager;
Analysts: Erin Auzins (477-0687), Carolyn Busch (477-2194), Rachelle Celebrezze (477-0897),
Katherine Cortes (477-9733), Clifton Curry (477-0877), Jenny Giambattista (477-0879),
Michael Huddleston (477-0881), Christine Jensen (477-5702), Lise Kaye (477-6881),
John Resha (477-0889), Polly St. John (477-0891), Amy Tsai (477-0893), Nick Wagner (477-0894),
Leah Zoppi (477-0892)

Panel Assistant: Sharon Daly (477-0870)

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Analyst:	Carolyn Busch / John Resha
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LEGISLATIVE BRANCH

BUDGET TABLE

	2013-2014 Adopted	2015-2016 Proposed	% Change 2013-2014 v. 2015-2016
County Council	\$3,340,974	\$3,582,000	7.2%
FTE:	9.0	9.0	0.0%
Council Administration	\$26,810,686	\$30,166,000	12.5%
FTE:	97.1	97.1	0.0%
Hearing Examiner	\$1,182,395	\$1,123,000	-5.0%
FTE:	3.0	3.0	0.0%
County Auditor	\$3,746,933	\$3,980,000	6.2%
FTE:	16.9	16.9	0.0%
Office of Citizen Complaints (Ombudsman/Tax Advisor)	\$2,514,619	\$2,636,000	4.8%
FTE:	10.0	10.0	0.0%
King County TV	\$1,187,111	\$1,223,000	3.0%
FTE:	5.0	5.0	0.0%
Board of Appeals	\$1,458,849	\$1,527,000	4.7%
FTE:	4.0	4.0	0.0%
Office of Law Enforcement Oversight	\$1,575,870	\$1,601,000	1.6%
FTE:	4.0	4.0	0.0%
Estimated Revenues	N/A	N/A	N/A
Major Revenue Sources	General Fund		

The Metropolitan King County Council is the legislative branch of county government. The County Council sets policy, enacts laws, adopts the County budget, and exercises all legislative powers authorized under the King County Charter. The nine members of the Council are elected on a nonpartisan basis and serve four-year terms. Each Councilmember represents the residents of one of nine unique geographic districts, responding to the needs of constituents in the County's urban, suburban, and rural areas. The duties of a King County Councilmember extend far beyond their visible attendance at Council meetings in the Courthouse. State law requires them to serve on many governing boards in such critical areas as transportation, public health, criminal justice, and other quality of life issues that cross jurisdictional boundaries.

The Council also oversees several independent agencies in addition to its legislative duties. The operations of these agencies are described below:

County Council. The legislative branch includes nine Councilmembers who are directly supported by the Council Administration. The nine members also oversee a number of independent agencies that are located within the Legislative Branch, namely: Hearing Examiner, County Auditor's Office, Ombudsman Office and Tax Advisor's Office, Board of Appeals/Equalization, and King County TV.

Council Administration. Council Administration includes the Council's central and administrative staff and the Clerk of the Council. Central staff develop and analyze proposed legislation, handle legal and policy issues, conduct long-term special studies, and provide for agency-level administrative and technical support.

King County TV (KCTV). KCTV is the government access channel for King County. It provides live and taped coverage of council meetings and public forums, King County news events, and original programming highlighting county issues and services.

King County Hearing Examiner. The Hearing Examiner conducts quasi-judicial public hearings on land use applications and appeals of administrative orders and decisions; prepares reports of all hearings; and makes recommendations and decisions on these matters.

King County Auditor's Office. The County Auditor's Office (KCAO) conducts audits and studies, provides capital project oversight (CPO), coordinates the countywide performance management work group, and oversees a citizen engagement program to enhance performance, accountability, and transparency in County government. The office seeks to improve the delivery of County services and identify opportunities for cost savings.

King County Office of Citizen Complaints. The King County office of Citizen Complaints includes the Ombudsman's Office and the Tax Advisor's Office. These offices investigate citizen complaints against most King County agencies, issue findings, and make 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 Ombudsman's Office also provides the public with information, referrals, and direct assistance on jurisdictional and non-jurisdictional matters, and provides dispute resolution services in some cases. The Tax Advisor's Office answers inquiries about County real estate taxation, property valuations, exemptions, and deferrals; and advises and assists property owners considering a valuation appeal upon request.

The Board of Appeals/Equalization. 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 King County Assessor, as well as various business license decisions and animal control orders.

The Office of Law Enforcement Oversight. The Office of Law Enforcement Oversight (OLEO) provides civilian oversight of the King County Sheriff's Office. OLEO is also intended to monitor ongoing investigations of misconduct, help resolve cases,

implement methods for increasing the level of public trust and transparency and identify systemic issues within Sheriff's Office.

SUMMARY OF PROPOSED BUDGET AND CHANGES

The budget proposal submitted by the Executive for the Legislative Branch is the sum of the 2013-2014 budgets and various technical and central rate adjustments, such as the removal of one-time budget items and the addition of funding for cost-of-living adjustments. The resulting total proposed appropriation for the legislative branch is a 9.6 percent increase over the 2013-2014 biennium, and an average growth rate for all Legislative Branch sections of 2.2 percent. Proposed changes beyond technical and central rate adjustments include:

Legislative Branch Section	Proposed Change	Amount
Council Administration	Eastside Rail Corridor Planning	\$600,000
Council Administration	Unallocated Operational Efficiencies	-\$478,002
Council Administration	Weapons Screening Rate Reduction	-\$47,833
Hearing Examiner	Unallocated Operational Efficiencies	-\$25,000

ISSUES

No issues have been identified.

Analyst:	John Resha
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FEDERAL LOBBYING

BUDGET TABLE

	2013-2014 Adopted	2015-2016 Proposed	% Change 2013-2014 v. 2015-2016
Budget Appropriation	\$480,000	\$520,000	8.3%
FTE:	0.0	0.0	N/A
TLTs:	0.0	0.0	N/A
Estimated Revenues	N/A	N/A	N/A
Major Revenue Sources	General Fund		

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 justice and safety, health, economic growth and environmental sustainability. The Federal lobbying work also meets the Strategic Plan goal of Financial Stewardship, by promoting legislative agendas that will promote King County's long-term fiscal strength. 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

This budget is unchanged except for an inflationary adjustment associated with an anticipated contract request for proposals process in 2015.

ISSUES

Staff have identified no issues at this time.

Analyst:	John Resha
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COUNTY EXECUTIVE

BUDGET TABLE

	2013-2014 Adopted	2015-2016 Proposed	% Change 2013-2014 v. 2015-2016
Budget Appropriation	\$516,713	\$556,000	7.6%
FTE:	1.0	1.0	0.0%
TLTs:	0.0	0.0	N/A
Estimated Revenues	N/A	N/A	N/A
Major Revenue Sources	General Fund		

This appropriation funds the County Executive, who provides leadership and direction for the Executive branch of County government. Some expenditures in this appropriation unit are allocated to non-General Fund agencies through the General Fund overhead plan.

SUMMARY OF PROPOSED BUDGET AND CHANGES

The 2015-2016 proposed budget for the County Executive includes technical and central rate adjustments resulting in a net increase of 7.6 percent over 2013-2014.

ISSUES

Staff have identified no issues at this time.

Analyst:	John Resha
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OFFICE OF PERFORMANCE, STRATEGY AND BUDGET

BUDGET TABLE

	2013-2014 Adopted	2015-2016 Proposed	% Change 2013-2014 v. 2015-2016
Budget Appropriation	\$16,479,437	\$20,454,000	24.1%
FTE:	53.0	55.25	4.2%
TLTs:	5.0	4.0	-20%
Estimated Revenues	\$305,999	\$140,000	-54.2%
Major Revenue Sources	General Fund		

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, regional planning, Lean and continuous improvement systems. PSB shapes the development and implementation of countywide systems, resources and plans to achieve the goals of the County and the Executive. These responsibilities are defined in K.C.C. 2.16.025.A.

SUMMARY OF PROPOSED BUDGET AND CHANGES

The 2015-2016 proposed budget for PSB includes a number of technical and central rate adjustments, establishment of a regional planning unit, and identified savings. The overall result is a net increase of 24.1 percent over 2013-2014.

With the County now on a biennial budget cycle, PSB intends to vary its staff time and focus based on the year, with odd years focused on systems and business planning and even years focused on budget planning and development.

Key milestones in the next biennium include:

Budget:

- Seven Line of Business plans in 2015
- Review and evaluation of Financial Policies
- Initial implementation of Activity Based Costing (Proposed new business planning to an information technology system)
- Broader business planning support
- 2017-2018 Budget

Continuous Improvement:

- Implementation of the Centralized Lean team, which has been slowed through delays in their proviso-driven business planning and hiring processes
- Development of tracking and reporting tools
- Development of the County's Lean practitioner network

Performance and Strategy:

- Implementation of the County's updated performance management system
- Employee Survey
- Strategic innovation priorities and planning work based on Proposed Motion 2014-0415, which are proposed to include:
 - Advancing Equity and Social Justice
 - Transforming Health and Human Services
 - Nurturing Optimal Development for Babies and Kids
 - Combatting Climate Change
 - Promoting Regional Economic Development
 - Planning for Employer of the Future
 - Improving Criminal Justice System Outcomes
- Support for development of cascading dashboards
- Identification of Operational Performance Metrics for government operations

Regional Planning:

- Milestones to be determined, as the unit was just established

PSB has identified savings of \$666,000, including: \$80,000 by reducing their consulting expenses, \$170,000 by freezing some merit and step increases, and \$416,000 by eliminating 1.0 TLT and holding a vacancy unfilled for nine months.

ISSUES**ISSUE 1 – IMPLEMENTATION OF ACTIVITY BASED COSTING**

As a component of the Executive's business planning approach, PSB proposes to implement a new cost calculation system designed to assist agencies in understanding the unit cost to deliver products and services. The information technology proposal is described in the King County Information Technology CIP report with a biennial cost of \$430,000. The system is proposed to be deployed using 3.0 TLT in the Finance and Business Operations Division with a proposed biennial appropriation of \$370,000. Neither of these expenditures are reflected in the PSB appropriation.

While aspects of this project are being discussed as part of other appropriations, staff analysis of this tool's role in the achievement of PSB and Office of the Executive goals is ongoing.

Analyst:	John Resha
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OFFICE OF THE EXECUTIVE

BUDGET TABLE

	2013-2014 Adopted	2015-2016 Proposed	% Change 2013-2014 v. 2015-2016
Budget Appropriation	\$9,050,182	\$10,202,000	12.7%
FTE:	24.0	23.67	-1.4%
TLTs:	0.0	0.0	N/A
Estimated Revenues	\$877,750	\$0	-100%
Major Revenue Sources	General Fund		

The Office of the County 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 charting the course set through the policy of the County and convening the teams, both internal and external, to implement that vision. Expenditures in this appropriation unit are allocated to non-General Fund agencies through the General Fund overhead model.

SUMMARY OF PROPOSED BUDGET AND CHANGES

The 2015-2016 proposed budget for the County Executive includes technical and central rate adjustments resulting in a net increase of 12.7 percent over 2013-2014. As part of the proposed budget, this Office proposes to change its practice of supporting certain positions through interfund transfers and move instead to a direct appropriation methodology for certain positions. This Office proposes to achieve savings of \$318,000 through merit pay freezes and holding positions vacant during the biennium.

ISSUES

ISSUE 1 – SHARED STAFFING MODEL

The Executive currently uses FTE and financial appropriations within the Office of the Executive to support various departments' decision making. This process is then funded through a charge to the appropriate department, resulting in a General Fund transfer or revenue. As part of the 2015-2016 proposed budget, the Executive proposes to move from this loan-in/loan-out FTE and funding approach to a direct appropriation of portions of FTE and funding authority for certain policy positions in the receiving departments. The agencies sharing partial funding and FTE authority with the Office of the Executive include the Departments of Transportation, Natural Resources and Parks, Community and Human Services, Public Health and Public Defense, and the Office of Performance, Strategy and Budget.

This results in the following 2015-2016 Executive-proposed appropriations:

Department/Office	FTE	Biennial Cost
Transportation	+0.5	\$171,718
Natural Resources and Parks	+0.5	\$171,718
Public Health	+0.25	\$91,931
Community and Human Services	+0.25	\$91,931
Public Defense	+0.25	\$91,931
Performance, Strategy and Budget	+0.20	\$73,544
Performance, Strategy and Budget	Existing 1.0 TLT	\$156,282 (One year only)
Office of the Executive	No Change	No interfund billing of positions -\$877,780 Revenue

The Executive has characterized this proposed change as more accurately representing the actual dual functional responsibility of these positions and their appropriations.

Analysis of this proposal is ongoing.

Analyst:	Christine Jensen
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GRANTS FUND

BUDGET TABLE

	2013-2014 Adopted	2015-2016 Proposed	% Change 2013-2014 v. 2015-2016
Budget Appropriation	\$72,666,646	\$31,492,836	-56.7%
FTE:	66.89	49.39	-26.2%
TLTs:	9.00	3.00	-66.6%
Estimated Revenues	\$72,666,646	\$31,492,836	-56.7%
Major Revenue Sources	Grants		

The Grants Fund is used to budget various federal, state, and local government grants, as well as private grants earmarked for General Fund agencies. This is not an operational appropriation unit, as grant revenues are transferred to the appropriate county agency upon receipt of the grant award.

SUMMARY OF PROPOSED BUDGET AND CHANGES

The 2015-2016 proposed budget for the Grants Fund is \$31,492,836, a decrease of 56.7 percent. The grant funding agencies receive each year depends on the new grant awards available and remaining funding awarded from previous years. Over \$29 million of the proposed budget is from new grant awards, with the remainder coming from carryover funding. The majority of the reduction in grant revenues is reflected in the Department of Executive Services (DES), which anticipates receiving almost \$28 million less in grant funds than in the 2013-2014 adopted budget. This is mostly attributed to older carryover grants from 2008-2013 that have since been closed out.

The Grant Fund also proposes a \$6 million contingency for unanticipated grants for the biennium. This is a placeholder for any new, unexpected grants that agencies might get awarded over the course of the two years. If no new grants are received in the biennium, these funds will not be used. It is worth noting that this biennium's contingency funding is significantly less than the previous biennium. This reduction is due to an additional \$5.3 million in contingency funds that were included in the 2013-2014 adopted budget for specific instances in which agencies were unsure whether they would be awarded a particular grant. The 2015-2016 proposed budget did not necessitate that additional contingency funding, which is consistent with the traditional \$6 million requested for each biennium.

The following table illustrates proposed changes in grant funding for each agency.

Detail of Grant Fund 2015-2016

Department	2013-2014 Adopted Budget	2015-2016 Total Remaining and New Grant Funding	% Change 2013-2014 v. 2015-2016
PSB	120,646	0	-100.0%
KCSO	9,776,904	5,282,500	-46.0%
DES	31,268,986	3,318,031	-89.4%
PAO	1,642,299	2,750,000	67.4%
Superior Court	9,847,055	9,533,000	-3.2%
DJA	615,029	325,354	-49.1%
DPD	2,979,465	2,687,970	-9.8%
Elections	5,081,800	1,595,981	-68.6%
Non-Departmental Contingency	11,334,462	6,000,000	-47.1%
Total Proposed Grant Fund Budget	72,666,646	31,492,836	-56.7%

ISSUES

ISSUE 1 – SUPERIOR COURT GRANTS UPDATE

Staff have identified an update in the grants listed for Superior Court. At the time of drafting the budget, two grants were included in this proposed appropriation in anticipation of receiving additional funding in 2015. However, since then, the County learned that these grants were not extended. The two grants are: “KCSC Dependency Mediation” for \$191,600 and 1.00 TLT, and “KCSC Parent to Parent – DSHS” for \$50,000. This issue is a technical change that can be addressed in drafting the final budget.

Staff have identified no further issues.

Analyst:	Katherine Cortes
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INTERNAL SUPPORT

BUDGET TABLE

	2013-2014 Adopted	2015-2016 Proposed	% Change 2013-2014 v. 2015-2016
Budget Appropriation	\$31,966,524	\$32,851,000	2.8%
FTE:	N/A	N/A	N/A
TLTs:	N/A	N/A	N/A
Estimated Revenues	N/A	N/A	N/A
Major Revenue Sources	General Fund		

The Internal Support appropriation unit is administered by the Office of Performance, Strategy and Budget and is used to budget operating costs centrally for General Fund agencies when it is inefficient or not possible to budget the costs for each department, division or office. Examples include retirement pay-outs (for accrued vacation and sick leave) and unemployment insurance compensation costs (King County is self-insured).

SUMMARY OF PROPOSED BUDGET AND CHANGES

Proposed changes for 2015-2016 include \$1.04 million in additions for the Employee Transportation Program (based on current Metro forecasts) and Law Enforcement Officers and Fire Fighters retirement medical benefits expenditures (based on actuarial projections).

This 2015-2016 proposal also includes \$500,000 for consultant services for the ongoing negotiation of King County's lease contract with Harborview Medical Center.

ISSUES

Staff analysis has identified no issues in this budget.

Analyst:	Amy Tsai
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MEMBERSHIPS AND DUES

BUDGET TABLE

	2013-2014 Adopted	2015-2016 Proposed	% Change 2013-2014 v. 2015-2016
Budget Appropriation	\$1,524,115	\$1,513,024	-0.7%
FTE:	N/A	N/A	N/A
TLTs:	N/A	N/A	N/A
Estimated Revenues	N/A	N/A	N/A
Major Revenue Sources	1/3 General Fund and 2/3 non-General Fund agency overhead		

This appropriation funds 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

The proposed budget is \$11,091 less than 2013-2014, a 0.7 percent decrease. The adopted 2013-2014 amounts and proposed 2015-2016 amounts are listed below in Table 1.

Table 1. Adopted 2013-2014 and Proposed 2015-2016 Memberships and Dues

Agency	2013-2014	2015-2016	Change
National Association of Counties (NACO)	\$73,500	\$77,250	5.1%
Puget Sound Regional Council (PSRC)	\$76,622	\$72,758	-5.0%
Washington Association of County Officials (WACO)	\$438,251	\$451,016	2.9%
Washington State Association of Counties (WSAC)	\$478,742	\$448,000	-6.4%
Economic Development Council of Seattle & King County (EDC)	\$265,000	\$310,000	17.0%
Ethnic Heritage Council	\$10,000 (2014)	\$20,000	0.0%
HistoryLink	\$100,000	\$100,000	0.0%
Trade Development Alliance (TDA)	\$42,000	\$34,000	-19.0%
Total	\$1,524,115	\$1,513,024	

The two newest memberships for the county are HistoryLink (added in 2013¹) and the Ethnic Heritage Council (added in 2014). HistoryLink is a free online encyclopedia of Washington state history with an emphasis on the Puget Sound area. The site is widely

¹ But funded by the County in past years through the Children and Family Set-Aside Fund until 2010.

used by students and teachers. The Ethnic Heritage Council works to preserve and promote ethnic and cultural traditions. Member organizations work together to preserve and document ethnic heritage, advance cross-cultural understanding and inform area residents about the ethnic experience in the Northwest through festivals, workshops, meetings and publications. Each July 4th the Ethnic Heritage Council hosts the Annual Naturalization Ceremony at Seattle Center.

ISSUES

Staff have not identified any issues with this budget.

Analyst:	Leah Zoppi
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DEPARTMENT OF ASSESSMENTS

BUDGET TABLE

	2013-2014 Adopted	2015-2016 Proposed	% Change 2013-2014 v. 2015-2016
Budget Appropriation	\$47,965,167	\$50,804,000	5.9%
FTE:	213.0	213.42	0.2%
TLTs	2.0	0.42	-79.2%
Estimated Revenues	\$16,550	\$452,000	2,631.1%
Major Revenue Sources	General Fund, fees		

The Department of Assessments (DOA) values all properties in King County in order to produce the property tax rolls for 161 separate taxing districts within King County, resulting in the collection of nearly \$4 billion in taxes for public services. 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 2015-2016 budget for DOA represents a 5.9 percent increase over the 2013-2014 adopted budgets. When adjustments for salaries and benefits are considered, the 2015-2016 budget represents a 0.4 percent decrease from the 2013-2104 budgets. DOA is projecting a 2,631.1 percent increase in revenues from web advertising and a new state fee on Real Estate Excise Tax (REET) forms that are anticipated to result in \$336,725 in new revenues during the biennium. Staff continues to analyze this proposed revenue disbursement compared to the anticipated revenues, and any potential discrepancy between this fund and the Recorder's Operations & Maintenance budget.¹ Key programmatic changes include:

- A \$507,020 reduction from eliminating of two TLT project manager positions that are no longer needed because the work has been shifted to another position or is scheduled to be completed, and an additional \$45,000 reduction due to bargaining changes that reduced compensation for training.

¹ RCW 82.45.180(5)(c) states: When received by the county treasurer, the funds must be placed in a special real estate and property tax administration assistance account held by the county treasurer to be used for: (i) Maintenance and operation of an annual revaluation system for property tax valuation; and (ii) Maintenance and operation of an electronic processing and reporting system for real estate excise tax affidavits. To comply with this requirement, the County transfers half of the revenue to the Department of Assessments for operations and maintenance of an annual revaluation system for property tax valuation (the Assessor's Computer Aided Mass Appraisal System). The other half of the revenue is allocated to the eREET Technology Reserve, as part of the Recorder's O & M Fund.

- A \$36,000 reduction from moving back-up data storage to the cloud, as part of KCIT's countywide initiative.
- A \$70,000 expenditure for mobile technology to upgrade mobile field technology units, including iPads and a new mobile app for appraisers that are expected to increase appraiser efficiency and productivity.
- A \$65,454 expenditure to make the DOA web site available for advertising. Web advertising is expected to generate \$100,000 in revenue during the biennium. Proposed Ordinance 2014-0413, which was transmitted with the budget ordinance, would allow DOA to host web-based advertisements on its site. This issue is discussed in greater detail below in the Issues section of this staff report.
- A \$175,337 increase in central rates mostly due to rent at the Black River Building, where DOA will remain as an anchor tenant following the planned sale of the property; and increased use of information technology services.

Projected increase in parcel counts. DOA developed a Line of Business Plan, forecasting out ten years to anticipate and plan for changing business needs. This plan identified a projected 20 percent increase in parcel counts and 35 percent increase in seniors eligible for a property tax exemption over the next ten years, expected to result in an increase in workload at the same time that continued budget deficits are expected for County government, potentially resulting in funding reductions.

DOA has responded with multi-year efficiency initiatives such as creating an eAppeal system that allows web-based filing of property assessment appeals. Reflected in the current budget is the continuation of a mobility strategy that will increase field appraisers' efficiency through upgraded mobile field technology. Another Lean effort is projected to increase field appraisers' transportation efficiency by 2,500 hours. Overall, DOA expects to achieve a six percent increase in efficiency, enabling them to meet projected workload demands with current resources until 2018. Additional efficiencies will be needed in order to meet the expected increase in workload if General Fund revenues continue to decline as projected.

ISSUES

ISSUE 1 – INCREASED REVENUE THROUGH WEB ADVERTISING

DOA is proposing to increase revenue by making the department's web site available for advertising. This proposal is estimated to cost \$65,454 to prepare the web site to accept ads, and is anticipated to generate \$100,000 in revenue, for net revenue of about \$35,000. If this proposal is approved, DOA would join a number of other County agencies that are already authorized to use web advertising, including the Parks Division, Metro Transit, and Regional Animal Services of King County.

The DOA web site receives about four million page views per month. Based on its research of other government agencies and web advertising vendors, DOA believes that this level of traffic is sufficient to generate advertising revenue. DOA worked with KCIT to develop cost estimates and with a vendor to develop revenue estimates.

This proposal would require a code change. Proposed Ordinance 2014-0413, which has been transmitted with the budget ordinances, would authorize the assessor to enter into agreements for advertising on the DOA web site. Staff is continuing to analyze this proposal and will provide more detailed information when the committee considers the revenue and other ordinances accompanying the proposed budget.

Analyst:	Rachelle Celebrezze
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GENERAL FUND TRANSFERS

BUDGET TABLE

	2013-2014 Adopted	2015-2016 Proposed	% Change 2013-2014 v. 2015-2016
Human Services GF Transfer	\$5,091,455	\$14,370,000	182.2%
General Government GF Transfer	\$53,167,438	\$51,258,000	-3.6%
Public Health GF Transfer	\$52,283,068	\$58,815,000	12.5%
Physical Environment GF Transfer	\$5,169,689	\$5,885,000	13.8%
CIP GF Transfer	\$18,341,562	\$11,490,000	-37.4%
All Transfers	\$134,053,212	\$141,818,000	5.8%
Major Revenue Sources	General Fund		

PROGRAM DESCRIPTION AND PURPOSE

The General Fund (GF) is primarily comprised of discretionary funds that can be used to support County programs. These GF dollars are transferred to other funds to provide services. Five transfers are included in the proposed 2015-2016 budget.

SUMMARY OF PROPOSED BUDGET AND CHANGES

GF support for other programs under the 2015-2016 proposed budget would increase by \$7.8 million, or 5.8 percent, as compared to 2013-2014. The most significant transfer is the \$9.9 million adjustment to the Human Services base to account for restructuring of the Children and Family Services Fund (CFS).

Policy decisions regarding the GF transfers will be made by the Council in their budget deliberations for specific agency appropriations. Any policy decisions regarding programs will be reflected in changes to the GF transfers, as needed. Each proposed transfer area is discussed below:

Human Services GF Transfers - \$14,370,000: Support for human services is projected to increase by \$9.3 million (182.2 percent) in the 2015-2016 biennium. All of that increase can be attributed to the restructuring and renaming of the Children and Family Services Fund (CFS), as the other additions to the Human Services GF transfers total a net zero with the adjustments made to the 2013-2014 pro forma budget.

Currently, the CFS receives revenue from a number of sources, including a portion of sales tax collections, parking garage revenue, marriage license fees, and divorce filing fees. Beginning in 2015-2016 those revenues will be rerouted to the GF and replaced in equal amount by a direct transfer from the GF to the applicable funds. All administrative changes related to the CFS restructure are net zero and result in no

change to revenue dedicated to programs in CFS, Employment and Education Resources, and Housing Opportunity Fund funds.

The proposed budget also includes a reduction of \$603,000 in Human Services GF transfers to account for adjustments to the 2013-2014 baseline, and \$602,682 in additional GF transfers to the Department of Community and Human Services (DCHS). A total of \$120,000 would be used to increase base funding for two domestic violence programs that had previously been funded in 2013-2014 through one-time Council additions; and \$45,000 is proposed to increase the base appropriation for the King County Men's Winter Shelter program. The proposed increase for the Men's Winter Shelter program is based on the estimated cost to DCHS to run the winter shelter at its current location in the King County Administration Building for 5.5 months per year (November through mid-April) for 9.5 hours per night (8:30pm-6:00am). Additional facility and security costs would be incurred by the Facilities Management Division.

An additional \$200,352 is proposed to provide COLA increases in 2015 and 2016 for all contracted services administered through the Community Services Operating Fund and certain Employment and Education Resources contracted services.

The Human Services GF transfer also includes \$476,000 for continued support for current staff positions and other operating costs associated with carrying out the Health and Human Services Transformation Plan. However, this proposal does not include any additional funding for the Health and Human Services Transformation Plan Catalyst Fund.

A 3.25 percent efficiency reduction in the GF transfer to Human Services, a reduction of \$238,000, is proposed to take effect in 2016. Specific expenditure reductions necessary to meet this target are yet to be determined.

Table 1: Human Services GF Transfer, 2015-2016

Purpose	Amount
2013-2014 Adopted (with adjustments)	\$4,487,566
Increase in base funding, domestic violence services	\$120,000
COLA increase for all contracted services through Community Services Operating fund	\$117,000
Increase in base funding, Men's Winter Shelter	\$45,000
COLA increase for all contracted services through Employment and Education Resources fund	\$83,352
Transformation Plan	\$476,000
General Fund transfer reduction	(\$238,000)
Adjustment to base Human Services Transfer resulting from restructuring of Children and Family Services Fund	\$9,279,038
Total Transfer	\$14,370,000

General Government GF Transfers - \$51,258,000: GF transfers for General Government are projected to decrease by \$1.9 million (3.6 percent) for the biennium. In addition to the \$1.5 million decrease in technical adjustments made to the 2013-2014

baseline to remove one-time costs, the General Government GF transfer includes the following:

- An increase of \$600,000 for one year of appropriation authority for expected debt service for the GF portion of Eastside Rail Corridor acquisition.ⁱ
- A reduction of \$995,022 to reflect inflationary adjustments and other technical adjustments. The majority of the decrease is due to aligning debt service budgets with the current debt service schedule and reducing the transfer to the Facilities Management Division for mothball costs in county-owned space.

Public Health GF Transfers - \$58,815,000: The GF transfer to Public Health is proposed to be increased by approximately \$6.5 million in 2015-2016. The approximately \$2.9 million added for inflation and technical adjustments to the 2013-2014 GF transfer represents more than 44 percent of the overall increase. The Public Health GF transfer also includes \$1.1 million in additional funding to cover one-time separation and closure costs associated with the public health clinic closures (including staff reductions), as proposed in the 2015-2016 Public Health budget.

The Public Health GF transfer provides \$480,000 in additional funding for the Medical Examiner Office. The increased funding would offset increased expenditures relating to rising service demand, as well as revenue shortfall from the 2013-2014 pilot program for providing fee-based services for out-of-County autopsies.

The GF would also continue to cover half of the costs of the Health and Human Services Transformation Plan (the staff for which are housed in Public Health) out of Public Health GF transfer, for a proposed total of \$476,000 for the biennium. The other half would be supported by Human Services GF transfers.

The Equity and Social Justice (ESJ) and Limited English Proficiency (LEP) programs would receive a Public Health GF transfer of \$1,110,000 for the biennium.

Finally, Public Health would take a reduction (exclusive of the Children and Family Services Fund support) to its General Fund transfer in 2016 only, of 3.25 percent, or \$488,000.

Table 2: Public Health GF Transfer, 2015-2016

Purpose	Amount
2013-2014 Adopted (with adjustments)	\$53,281,616
Inflation and technical adjustments	\$2,855,182
One-time separation costs	\$1,110,000
Medical Examiner	\$480,000
ESJ & LEP Funding	\$1,110,000
Transformation Plan	\$476,000
General Fund transfer reduction	(\$488,000)
Total Transfer	\$58,815,000

Physical Environment GF Transfers - \$5,885,000: The GF transfer to Physical Environment would increase by approximately \$715,000 (13.8 percent).

The total 2015-2016 transfer would include an additional \$291,190 for a subarea planner. This position would work with communities to update subarea plans for the first time in more than two decades. The planner would focus on Skyway and Vashon. The position is proposed in the Department of Permitting and Environmental Review (DPER) 2015-2016 budget.

The 2015-2016 proposed budget also includes an adjustment for inflation of \$86,000 for the Water and Land Resources Division (WLRD) for costs associated with activities that cannot be funded by Surface Water Management fees, such as agriculture and forestry technical assistance. An increase of \$186,000 to DPER would adjust for inflation for costs associated with code enforcement activities that cannot be funded by permitting fees.

CIP GF Transfers - \$11,490,000: CIP GF transfers are proposed to decrease by \$6.8 million (37.4 percent). The 2015-2016 proposed budget would continue to fund capital projects in FMD and KCIT. The proposed incremental changes in CIP GF transfers in 2015-2016 are as follows:

- A reduction of \$831,352 to KCIT for specific capital projects to eliminate all GF support for KCIT specific capital projects.
- A reduction of \$1,976,276 to the Major Maintenance Reserve Fund (MMRF), decreasing GF transfers to the MMRF to \$8,000,000.
- A reduction of \$2,834,000 to the Building Repair and Replacement (BRR) Fund, decreasing GF transfers to the BRR to \$2,000,000.
- An increase of \$527,064 to cover increases in central rate charges for countywide IT projects. The total charge for the 2015-2016 biennium is \$1,489,724.

ISSUES

No issues have been identified by staff. Policy decisions regarding the GF transfers will be made by the Council in their final budget deliberations for specific agency appropriations.

ⁱ The Executive has transmitted a proposal (proposed ordinance 2014-0374) to finance the acquisition of the Eastside Rail Corridor in part with debt backed with General Fund. This proposal will be considered by the Council this fall. All budget issues related to Eastside Rail Corridor acquisition and planning will be discussed in more detail in a separate budget report.

Analyst:	Rachelle Celebrezze
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OFFICE OF ECONOMIC AND FINANCIAL ANALYSIS

BUDGET TABLE

	2013-2014 Adopted	2015-2016 Proposed	% Change 2013-2014 v. 2015-2016
Budget Appropriation	\$773,274	\$983,000	27.1%
FTE:	2.50	2.50	0.0%
TLTs:	0.00	0.00	N/A
Estimated Revenues	N/A	N/A	N/A
Major Revenue Sources	General Fund		

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.

SUMMARY OF PROPOSED BUDGET AND CHANGES

The proposed 2015-2016 budget for OEFA is \$983,000, an increase of \$209,726, or 27.1 percent over the 2013-2014 budget. The proposed increase includes \$121,734 for adjustments to the 2013-2014 adopted budget to capture increases in benefit rates and changes in average salary rates, including COLA. The main factor contributing to the seemingly large adjustment to the 2013-2014 adopted budget results from the change from an annual budget to a biennial budget and the annualization of salary and wages for a 0.5 FTE that had been shared but was reclassified and moved to the OEFA budget in 2014.

The proposed 2015-2016 budget for OEFA also proposes an increase of \$77,104 for central rates. The increase in central rates is driven largely by changes in the GIS rate setting methodology (which increased OEFA's GIS costs from approximately \$117 in 2014 to an estimated \$11,156 in 2015), OEFA's purchase of two additional workstations from KCIT, KCIT rate allocation changes, and a change in the Business Resource Center's rate setting methodology.

OEFA's proposed budget also includes \$2,000 for projected increases in subscription rates and \$460 to cover the incidental costs associated with hosting the Regional

Economic and Forecasting Forum (REFF) two to three times annually. The REFF is an information sharing forum hosted by OEFA that brings public and private organizations together to discuss current economic, forecasting, and quantitative forecasting issues. Previously, OEFA staff paid for REFF incidentals out of pocket. Since REFF has become part of OEFA's official work plan, OEFA is requesting budget authority for these expenses.

ISSUES

No issues have been identified by staff.

Analyst:	Nick Wagner
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OFFICE OF LABOR RELATIONS

BUDGET TABLE

	2013-2014 Adopted	2015-2016 Proposed	% Change 2013-2014 v. 2015-2016
Budget Appropriation	\$5,062,695	\$5,785,000	14.3%
FTE:	17.6	17.6	0.0%
TLTs:	0.0	0.0	0.0%
Estimated Revenues	\$0	\$0	0.0%
Major Revenue Sources	General Fund		

The Office of Labor Relations (OLR) was created in 2010 and located in the Office of the Executive in an effort to improve the process of negotiating and administering labor agreements and to explore opportunities for coalition bargaining. As the County's negotiators for more than 80 labor agreements covering nearly 12,000 represented County employees, OLR has delivery goals that advance the Financial Stewardship, Service Excellence, and Quality Workforce goals of the King County Strategic Plan.

Although OLR is a relatively small work group, its work is critically important, since OLR is responsible for negotiating the terms of employment for the County's nearly 12,000 represented employees, whose services are a major component of the work of County government and whose compensation constitutes a substantial portion of the County budget.

SUMMARY OF PROPOSED BUDGET AND CHANGES

The proposed budget would increase OLR's appropriation by 14.3 percent, from \$5,062,695 in the 2013-2014 biennium to \$5,785,000 in the 2015-2016 biennium, an increase of \$722,305. There are no revenues in this budget, as OLR is supported by the General Fund. The FTE count for OLR would remain 17.6. OLR has no TLTs.

After transmittal of the proposed budget, executive staff determined that OLR's technical adjustment for merit/step pay increases was inadvertently omitted from the original OLR budget proposal. To correct this omission the Executive has asked that the Council make changes to the proposed budget for OLR as described below, which would not affect the bottom line appropriation and FTE/TLT count.

Merit Freeze Reduction: (-\$60,000): OLR is implementing a freeze on merit/step increases for all OLR staff in 2015-2016, which is reflected in the proposed budget by a \$60,000 reduction. The Executive's intention was for that reduction to offset the standard merit/step increase that is included in all operating budgets, resulting in no net change in pay (i.e., a freeze); however, the standard merit/step increase was inadvertently omitted from OLR's original proposed budget. The inadvertent omission of the standard merit/step increase would have created a budget deficit between the

projected staff salaries and the approved budget if the increase had not been restored. As corrected, OLR's budget shows a standard merit/step increase of \$60,000, offset by a Merit Freeze reduction in the same amount.

Organizational Restructuring (Expense: \$21,239): The original budget proposal for OLR included a more extensive restructuring at a higher cost – \$40,511 – plus an additional \$41,849 to reclassify a Labor Negotiator III as a Deputy Director, for a total cost of \$82,360. To make room in the budget for the standard merit/step increase of \$60,000, which had been inadvertently omitted, as described above, Executive staff proposed last week to reduce other costs by scaling back its proposed reorganization and eliminating the proposed reclassification of the Labor Negotiator III as a Deputy Director. These changes would reduce the cost of the restructuring by \$61,121, which offsets the \$60,000 cost of including the standard merit/step increase. Under the scaled-back reorganization, OLR would have two lines of business (Labor Negotiation/Litigation and Labor Negotiation/Compensation) instead of three lines of business (Labor Negotiations, Compensation, and Special Projects).

ISSUES

Staff analysis is continuing on this budget.

Analyst:	Nick Wagner
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BYRNE JAG GRANTS

BUDGET TABLE

	2013-2014 Adopted	2015-2016 Proposed	% Change 2013-2014 v. 2015-2016
Budget Appropriation	\$191,835	\$202,000	5.3%
FTE:	00.0	00.0	N/A
TLTs:	00.0	00.0	N/A
Estimated Revenues	\$191,835	\$201,712	5.2%
Major Revenue Sources	U.S. Dept. of Justice/ Bureau of Justice Assistance		

This appropriation is revenue-backed by the Edward Byrne Memorial Justice Assistance Grant (JAG), a federal formula grant. New York City Police Officer Edward Byrne, age 22, was shot and killed on 26 February 1988 as he sat in his patrol car as part of a protection detail outside the home of a cooperating witness who had agreed to testify against local drug dealers. Four gang members were sentenced to 25 years to life for the murder. As described by the U.S. Department of Justice:

[The JAG Program] is the leading source of federal justice funding to state and local jurisdictions. The JAG Program provides states, tribes, and local governments with critical funding necessary to support a range of program areas including law enforcement, prosecution and courts, crime prevention and education, corrections and community corrections, drug treatment and enforcement, planning, evaluation, technology improvement, and crime victim and witness initiatives.

The allowable purposes of the grant support the King County Strategic Plan's goal of Justice and Safety. One of the programs to be funded by this year's JAG program particularly supports the goal of ensuring fair and accessible justice systems.

SUMMARY OF PROPOSED BUDGET AND CHANGES

King County and the City of Seattle receive joint funding from the JAG program and allocate the funding between them. As negotiated with the City of Seattle, the County would receive \$201,712 (44 percent), and the City would receive \$253,660 (56 percent) for 2015-2016. This is about the same distribution ratio as last year.

Consistent with federally permissible uses of JAG funding, the County's \$201,709 is proposed to support the following two programs:

1. Warrant Prevention Program (\$116,000)

King County Juvenile Court issues nearly 3,000 warrants annually for youth who fail to appear in court for their pre-adjudication hearings. The first two hearings of a case—arraignment and case setting—result in the highest rates of failure to appear (FTA). In 2013, 240 youth—nearly 14 percent of youth held in secure detention—were admitted on an FTA warrant. Youth of color constituted 70 percent of those admitted on a warrant.

The Warrant Prevention Program (WPP) assists youth and their families in attending scheduled arraignment and case setting hearings, thereby avoiding the issuance of a warrant. King County Superior Court, Juvenile Court Services, contracts with the YMCA's Alive and Free Program to provide services for the WPP. By leveraging the existing network of Alive and Free outreach workers and expanding the capacity of the community provider, the WPP reaches a larger number of youth and provides more culturally relevant outreach to reduce the issuance of warrants. The outreach workers are located in South King County and are assigned by geographic area to cover Kent, Renton, Auburn, SeaTac, Tukwila, and surrounding communities. These areas generate a disproportionate number of warrants, particularly for youth of color.

2. District Court Data Clean-Up (\$85,712)

In preparation for an eventual transition to a new case management system, King County District Court proposes to add a temporary clerical employee to begin cleaning up old caseload data in the state Administrative Office of the Court's database to avoid having to move the data to the new system. The grant funding would support about 1,934 hours of work (48 full-time weeks), which would permit closing out cases that are more than 10 years old and no longer collectible and cases in which the defendant is deceased; cleaning up civil and small claims cases in which a satisfaction of judgment was not received; consolidating 10 old databases into one; and related activities.

ISSUES

Staff has identified no issues in this budget.

Analyst:	Erin Auzins
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BOUNDARY REVIEW BOARD

BUDGET TABLE

	2013-2014 Adopted	2015-2016 Proposed	% Change 2013-2014 v. 2015-2016
Budget Appropriation	\$691,791	\$742,000	7.3%
FTE:	2.0	2.0	0.0%
TLTs	0.0	0	0.0%
Estimated Revenues	\$4,000	\$4,000	0.0%
Major Revenue Sources	General Fund, Fees		

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

SUMMARY OF PROPOSED BUDGET AND CHANGES

The 2015-2016 proposed budget for the BRB is \$742,000 with 2.00 FTEs. This is a 7.3 percent increase in appropriations, and no change to FTEs, from the previous biennium. The change in cost is due to increases in central rates and updated salary and benefits costs.

Previous annexations forecasts, highlighted in previous budgets, predicted that several large annexations would occur within 2014 and 2015, due to a state sales tax incentive that sunsets in 2015. However, these annexations have not occurred for a variety of reasons, mainly failure at elections. Because these annexations have not yet occurred, no significant changes are proposed to the Boundary Review Board's budget as part of this biennium. The projected workload of the BRB for 2015-2016 remains the same as prior levels.

ISSUES

No issues have been identified for this budget.

Analyst:	Leah Zoppi
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STATE AUDITOR

BUDGET TABLE

	2013-2014 Adopted	2015-2016 Proposed	% Change 2013-2014 v. 2015-2016
Budget Appropriation	\$1,911,666	\$1,973,146	3.1%
FTE:	0.0	0.0	0%
TLTs	0.0	0.0	0%
Estimated Revenues	N/A	N/A	N/A
Major Revenue Sources	General Fund		

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 2015-2016 State Auditor budget will decrease by \$22,218 due to a decrease in the number of hours estimated to complete the 2015 and 2016 audits. However, the hourly rate the State will bill the County is proposed to increase by six percent from \$83.50 to \$88.50, offsetting the decrease, for a 3.1 percent overall increase over 2013-2014.

ISSUES

Staff has identified no issues with this budget.

Analyst:	Mary Bourguignon Katherine Cortes
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ELECTIONS

BUDGET TABLE

	2013-2014 Adopted	2015-2016 Proposed	% Change 2013-2014 v. 2015-2016
Budget Appropriation	\$38,370,249	\$36,192,000	-5.7%
FTE:	66.43	63.50	-4.6%
TLTs:	1.00	0.00	-100.0%
Estimated Revenues	\$19,560,625	\$20,792,000	6.3%
Major Revenue Sources	General Fund, revenues from jurisdictions for elections management		

The 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.

Per the King County Charter, the Department of Elections is headed by an independently elected Director of Elections.

The Elections Director reports that since 2009, Elections has conducted elections with zero discrepancies and 100 percent ballot accountability, ensuring that all votes have been counted.

SUMMARY OF PROPOSED BUDGET AND CHANGES

The Elections budget is proposed to decrease by 5.7 percent for the biennium, from \$38,370,249 for 2013-2014 to \$36,192,000 for 2015-2016. This decrease is due to a combination of efficiency-related layoffs and other proposed efficiency adjustments.

To achieve greater efficiencies in its operations, Elections has made significant use of Lean processes during the years since the transition to vote-by-mail to review and redesign its work flows, particularly with respect to ballot processing. Elections reports that its use of Lean-inspired efficiencies has allowed it to significantly reduce the number of temporary employees who process ballots. As a consequence, Elections has proposed a \$2 million efficiency reduction for 2015-2016 to more accurately reflect its current costs.

Elections receives revenue from the General Fund, as well as from the State of Washington and local jurisdictions for its services in managing elections, producing and distributing voters' pamphlets, and providing voter registration services. The State of Washington does not pay for its share of election cost during even-numbered years, but does pay during odd-numbered years. Elections anticipates revenues of \$20,792,000 for the 2015-2016 biennium, up 6 percent from \$19,560,625 for the previous biennium.

Outreach to Limited English Proficient (LEP) Communities. Section 203 of the Federal Voting Rights Act requires that election materials and ballots be provided to certain LEP communities based on their population levels. In King County, Section 203 compliance requires that materials be prepared in Chinese and Vietnamese. In addition, Elections provides voter registration forms in English, Chinese, Spanish, Vietnamese, Cambodian, Korean, Laotian, and Russian; online registration materials in Chinese, Vietnamese, and Spanish; and interpretation services as needed through Language Line Services.

To increase access to King County government services and operations for LEP communities, the Council adopted a proviso as part of Ordinance 17695 that required Elections to provide an analysis of alternative options or factors that could provide minority language voting materials and services for LEP populations in Tiers 1 and 2¹ that have not yet reached the thresholds required by Section 203. Elections provided its analysis in June 2014, and the Committee of the Whole was briefed on August 20 and September 17. This issue remains in the Committee of the Whole, and staff continue to review the proviso response.

ISSUES

ISSUE 1 – ELECTIONS MANAGEMENT SYSTEM

Elections has requested \$467,596 for 2015-2016 to procure and implement a new Election Management System (EMS). The new EMS would replace a system that was installed a decade ago and has become outdated. The EMS would hold voter registration and voter history information, as well as information regarding candidates, election measures, and election results.

This issue was covered as part of the Information Technology capital projects report.

ISSUE 2 – ELECTIONS REORGANIZATION

In 1996, King County created the position of Superintendent of Elections. In 2003, through Ordinance 14570, the Council required that the Superintendent of Elections position be confirmed by Council.² The Superintendent of Elections position was filled and the candidate confirmed by Council, but the position has since become vacant, and has been unfilled for about two years.

In September 2014, the Director of Elections wrote to the Citizens' Election Oversight Committee and County Councilmembers to present a reorganization that would eliminate the Superintendent of Elections position and add a new Deputy Director position. Staff continue to analyze this issue.

¹As set forth in Appendix C to Executive Order INF 14-2 (AEO): Tier 1 = Spanish; Tier 2 = Vietnamese, Russian, Chinese, Korean, Ukrainian, Amharic, Punjabi

² K.C.C. 2.16.100

Analyst:	Erin Auzins
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RECORDS AND LICENSING SERVICES

BUDGET TABLE

	2013-2014 Adopted	2015-2016 Proposed	% Change 2013-2014 v. 2015-2016
Budget Appropriation	\$17,784,167	\$20,880,000	17.4%
FTE:	76.63	79.50	3.7%
TLTs	0.00	0.00	0.00%
Estimated Revenues	\$37,058,348	\$42,341,000	14.3%
Major Revenue Sources	General Fund, Fees		

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 is analyzed as a separate budget because it has its own separate fund.

SUMMARY OF PROPOSED BUDGET AND CHANGES

The 2015-2016 proposed budget for RALS is \$20,880,000 with 79.50 FTEs. This is a 17.4 percent increase from the previous biennium in appropriations, and a 3.7 percent increase in FTEs.

The increase in FTEs and cost is largely due to the implementation of the for-hire regulatory changes¹. The new licensing requirements approved through the ordinance are expected to bring in \$1.76 million in revenue over the biennium and require \$1.34 million in expenditures. Staff continues analysis on the projected revenue and expenditures, to ensure it complies with the Ordinance adopted by Council.

The implementation of the new for-hire ordinance has potential Equity and Social Justice (ESJ) impacts, as many of the drivers required to obtain for-hire licenses are immigrants from East African countries. RALS is working to implement changes to the licensing requirements to address the needs of these licensees, such as eliminating the oral English exam, providing more flexible training programs, allowing non-cash payments for licenses, and simplifying forms.

RALS projects an increase in revenue from marriage licenses for 2015-2016 of \$44,400, which is the anticipated increase in license revenue due to marriage equality.

¹ Ordinance 17892 was adopted by Council on September 15, 2014.

RALS has proposed an IT project for 2015-2016, the Records & Licensing Software Application Replacement Project. This project will be discussed as part of the IT Technology CIP staff report in the Health, Human Services, and Internal Services budget panel.

A total of \$199,475 is shown in the proposed budget as expenditure in reserve for future space planning for RALS. No appropriation would be made as part of this proposed budget; the funds would be held in the General Fund Reserve for the biennium, or until the project is ready for appropriation and a supplemental is requested.

ISSUES

Staff have not identified any issues for this budget.

Analyst:	Erin Auzins
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RECORDER'S OPERATION AND MAINTENANCE

BUDGET TABLE

	2013-2014 Adopted	2015-2016 Proposed	% Change 2013-2014 v. 2015-2016
Budget Appropriation	\$3,518,315	\$4,443,000	26.3%
FTE:	6.50	6.50	0.0%
TLTs	0.00	0.00	0.0%
Estimated Revenues	\$2,999,365	\$3,220,000	7.4%
Major Revenue Sources	Recording Fees		

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 2015-2016 proposed budget for the Recorder's O & M fund is \$4,443,000 with 6.50 FTEs. This is a 26.3 percent increase in appropriation authority from the previous biennium, with no increase in FTEs. The increases in costs are primarily due to:

- **Real Estate & Property Tax Administration Assistance: \$323,275 in expenditures.** The proposed budget would transfer \$323,275 to the Department of Assessments. RALS collects a \$5 fee on real estate sales or transfers, which is allowed under RCW 82.45.180 as of January 2014, and must be spent on specific purposes¹. Staff continues to analyze this proposed transfer of funds compared to the anticipated revenues, and any potential discrepancy between this fund and the Assessments budget.
- **Records & Licensing Software Application Replacement Project: \$600,000 in expenditures.** A \$600,000 expenditure from the eREET Technology Reserve would pay for a portion of the Records & Licensing IT Project, Records &

¹ RCW 82.45.180(5)(c) states: When received by the county treasurer, the funds must be placed in a special real estate and property tax administration assistance account held by the county treasurer to be used for: (i) Maintenance and operation of an annual revaluation system for property tax valuation; and (ii) Maintenance and operation of an electronic processing and reporting system for real estate excise tax affidavits. To comply with this requirement, the County transfers half of the revenue to the Department of Assessments for operations and maintenance of an annual revaluation system for property tax valuation (the Assessor's Computer Aided Mass Appraisal System). The other half of the revenue is allocated to the eREET Technology Reserve, as part of the Recorder's O & M Fund.

Licensing Software Application Replacement Project. This project will be discussed as part of the IT Technology CIP staff report in the Health, Human Services, and Internal Services budget panel.

ISSUES

Staff have not identified any issues for this budget.

Analyst:	Amy Tsai
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REGIONAL ANIMAL SERVICES OF KING COUNTY

BUDGET TABLE

	2013-2014 Adopted	2015-2016 Proposed	% Change 2013-2014 v. 2015-2016
Budget Appropriation	\$13,085,112	\$14,198,000	8.5%
FTE:	44.18	43.17	-2.3%
TLTs:	0.0	0.0	0.0%
Estimated Revenues	\$12,982,996	\$14,008,000	7.9%
Major Revenue Sources	Pet licensing, General Fund, City contributions		

Regional Animal Services of King County (RASKC) provides animal shelter, field and licensing services in unincorporated King County and to contract cities. The County has negotiated an interlocal agreement (ILA) to provide services to 25 cities from January 2013 through December 2015 with a potential two-year extension.

SUMMARY OF PROPOSED BUDGET AND CHANGES

The proposed 2015-2016 RASKC budget of \$14.2 million is an 8.5 percent increase from 2013-2014. There is a projected 7.9 percent increase in projected 2015-2016 revenues. Technical adjustments and central rates account for much of the change.

The County's General Fund provides about \$1.9 million of subsidy to RASKC's program each year, as shown in Table 1 on the next page. The General Fund also supports the unincorporated area costs of animal services, with a total proposed General Fund contribution to RASKC of \$5.3 million for the 2015-2016 biennium. Pet licensing revenue (\$5.6 million in 2015-2016) and city contributions for services (\$1.6 million in 2015-2016) are the other two main sources of revenue.

In the 2013 annual budget (Ordinance 17476) the Council articulated the goal of improving RASKC's financial sustainability and decreasing its reliance on the General Fund. In that budget, the Council adopted a proviso directing RASKC to develop an operational strategic plan and technical report to "further the goal of developing a sustainable program for regional animal services with sustainable funding resources, while preserving the county's commitment to maintain levels of animal care and control that will protect animal and human health and safety and, to the greatest degree practicable, prevent injury to property and cruelty to animal life."

In its response, RASKC initially proposed a mandatory rabies vaccination reporting strategy that was projected to increase pet licensing revenues and eliminate RASKC's reliance on the General Fund by 2020. After extensive negative feedback from the

public and the Council, RASKC withdrew its proposal. As a result, the 2015-2016 budget shows very little change in revenue projections. The main revenue generator, pet licensing, is assigned a three percent increase annually in the RASKC financial plan, increasing from \$5,436,770 in 2013-2014 to \$5,599,873 in 2015-2016. The RASKC financial plan shows a continued reliance on the General Fund for the foreseeable future.

Table 1. RASKC Revenue Sources for 2014 and 2015

Revenue Source	2014	Percent of Revenue	2015	Percent of Revenue
City	\$2,500,000	38%	\$2,610,000	38%
City pet licensing revenue	\$1,700,000		\$1,850,000	
City payment for services	\$814,000		\$764,000	
Unincorporated	\$1,600,000	25%	\$1,660,000	24%
Unincorporated pet licensing revenue	\$825,000		\$917,000	
Unincorporated payment for services (General fund)	\$775,000		\$744,000	
General Fund Subsidy	\$1,800,000	28%	\$1,900,000	27%
General fund direct contribution	\$869,000		\$900,000	
General fund monetary credits	\$987,000		\$987,000	
Other	\$584,000	9%	\$782,000	11%
Enhanced services, donations, fees, fines	\$584,000		\$782,000	
Total	\$6,500,000	100%	\$6,950,000	100%

The revised operational strategic plan accepted by the Council in August 2014¹ reaffirms RASKC's commitment to proactive efforts to increase program revenues by pursuing market-driven voluntary options for increasing pet licensing, continuing cost effective marketing efforts such as mailings, and implementing web-based enhancements and updates. RASKC is engaged in continuous improvement to control operating costs, and also acknowledges the importance of service excellence. As the partner city ILA expires, RASKC will face both a challenge and an opportunity to renew and hopefully expand regional partnerships.

The proposed budget includes a \$100,000 promotional campaign to increase pet licensing through the use of web-based advertising and sponsorships.² This program would be self-funded, using advertising revenues raised by the program. It is beneficial to the regional system as a whole to increase pet licensing and awareness, but under the ILA any pet licensing revenues generated from the marketing effort would be credited to the licensing revenue of the respective participating cities. Staff analysis is continuing on the long term projected impacts of this campaign on the General Fund.

¹ Motion 14211

² K.C.C. 11.02.050 allows RASKC to seek revenue through advertising.

The proposed budget would also eliminate a vacant Veterinary Technician position that was donation-supported and replace it with an existing Foster Coordinator position which is currently supported by the General Fund. This proposal would result in General Fund savings of \$217,403 and elimination of 1.0 FTE.

RASKC did request additional General Fund resources for services it believed would lead to increased revenues, including additional code enforcement officer hours and assistance with negotiating the interlocal agreement. These requests were not proposed for funding by the Executive.

Animal Bequests

RASKC has established an Animal Bequests fund for charitable donations to its programs.³ This fund allows donations to be accounted for with greater transparency and provides appropriation authority so that funds may be spent as programmatic needs are identified. The Animal Bequests fund has been registered as a 501(c)3 non-profit corporation and is also part of the County's Employee Giving Program. Table 2 shows the Animal Bequests Fund budget.

Table 2. Animal Bequests Fund Budget

	2013-2014 Adopted	2015-2016 Proposed	% Change 2013-2014 v. 2015-2016
Budget Appropriation	\$280,000	\$280,000	0.0%
FTE:	N/A	N/A	N/A
TLTs:	N/A	N/A	N/A
Estimated Revenues	\$200,000	\$200,000	0.0%
Major Revenue Sources	Donations		

The proposed revenues and expenditures for 2015-2016 are the same as for 2013-2014. However, RASKC projects an increase in revenue due to on-line donations, as discussed in the issue section below.

Citizens can donate to four accounts: the Benefit Bequest Fund that can be used for any program; the Spay/Neuter Fund to support spay/neuter services; the Health the Animals (Angel) Fund that provides shelter and veterinary care for abused animals; and the Animal Retention Fund that supports responsible pet ownership.

Information for how the public can donate to animal services can be found on the RASKC web site at <http://kingcounty.gov/safety/regionalAnimalServices/Donate.aspx>

³ The Animal Bequests Fund is authorized through K.C.C. 4A.200.130 and K.C.C. 11.02.060.

ISSUES

ISSUE 1 – ANIMAL BEQUEST REVENUE UPDATE

RASKC projects an \$80,000 increase in revenues compared to the last biennium, or a 40 percent increase from \$200,000. This is because donation capabilities have been added to the on-line pet license renewal process, and on-line pet license renewals have been increasing over time. Council may wish to adjust the projected revenues from \$200,000 to \$280,000. This would match the \$280,000 in proposed expenditure authority for the Animal Bequest Fund.

Analyst:**Amy Tsai****LIMITED TAX GENERAL OBLIGATION (LTGO) FUND****BUDGET TABLE**

	2013-2014 Adopted	2015-2016 Proposed	% Change 2013-2014 v. 2015-2016
Budget Appropriation	\$322,239,695	\$248,435,000	-22.9%
FTE:	N/A	N/A	N/A
TLTs:	N/A	N/A	N/A
Estimated Revenues	\$315,794,146	\$208,871,000	-33.9%
Major Revenue Sources	Various: General Fund; Conservation Futures Levy; Solid Waste; Elections		

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. This means that the promise extends only 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.

SUMMARY OF PROPOSED BUDGET AND CHANGES

The total proposed annual payment on Limited Tax General Obligation bonds is reduced by 22.9 percent in 2015-2016 and the revenue is reduced by 33.9 percent, both primarily due to moving wastewater debt and revenue to the Wastewater Debt Service Fund.

Expenditures in this fund are entirely revenue backed by contributions from other funds throughout the county. Any bond issuances would be authorized via a bond ordinance. The following changes are proposed for 2015-2016:

- **Eastside Rail Corridor Debt (\$1,200,000):** The Executive has transmitted a financing plan (Proposed Ordinance 2014-0374) that proposes issuing debt in early 2015 to finance the remaining portion of the Eastside Rail Corridor acquisition.¹ Total bond proceeds would be approximately \$11 million. If debt issuance is approved by the Council, debt service payments are estimated at \$1.2 million per year for 15 years, beginning in 2016, and would be paid by the General Fund and the Conservation Future Levy Fund.

¹ This proposal (proposed ordinance 2014-0374) will be considered by the Council this fall. All budget issues related to Eastside Rail Corridor acquisition and planning will be discussed in more detail in a separate budget report.

- **General Fund IT Projects (\$2,300,000):** This proposal would provide appropriation for debt service payments associated with four new IT projects: Records and Licensing Services (RALS) Recording System (Anthem) replacement; Department of Judicial Administration SCOMIS replacement; District Court case management system; and Elections Management System. Total bond proceeds would be approximately \$13.5 million. Elections would contribute \$150,000, and \$2 million of the debt service payments for 2015-2016 would be supported by LTGO fund balance.
- **Solid Waste Capital Program (\$8,100,000):** This proposal would provide appropriation for debt service payments associated with the Solid Waste Capital Program. Council-approved Transfer Station upgrade projects, such as the Factoria Transfer Station, are the primary focus of this Capital Program (Ordinance 15979, Solid Waste Transfer and Waste Management Plan).
- **Transfer to Public Facilities District (\$12,800,000):** This proposal is a one-time transfer of residual fund balance from dedicated tax revenues to the Washington State Major League Baseball Stadium Public Facilities District (PFD). The Safeco Field bonds were sold in 1995 and retired early due to higher than expected tax collections. Taxes were collected for a few months after the bonds were paid off. The Executive's proposed budget states that the proposed transfer is consistent with RCW 82.14.360, which governs the disposition of revenues from the special stadium sales and use tax.

ISSUES

No issues have been identified.

Analyst:	Amy Tsai
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UNLIMITED TAX GENERAL OBLIGATION (UTGO) FUND

BUDGET TABLE

	2013-2014 Adopted	2015-2016 Proposed	% Change 2013-2014 v. 2015-2016
Budget Appropriation	\$40,264,381	\$34,041,000	-15.5%
FTE:	N/A	N/A	N/A
TLTs:	N/A	N/A	N/A
Estimated Revenues	\$40,366,544	\$28,542,000	-29.3%
Major Revenue Sources	Property taxes		

Bonds issued with voter approval are referred to as unlimited tax general obligation bonds or simply general obligation bonds.

SUMMARY OF PROPOSED BUDGET AND CHANGES

The annual payment on the Unlimited Tax General Obligation (UTGO) Bond Redemption Fund is proposed to decrease \$6,223,381 or 15.5 percent from 2013-2014 levels. The decrease reflects savings realized by the refinancing of existing UTGO bonds.

This fund collects property tax for voter approved bonds that were issued in 2000, 2001, 2003, and 2004 for projects at Harborview Medical Center. Currently, there is \$141 million in remaining principal and interest payments. Property tax collections for the repayment of these bonds will be reduced in 2015 to reduce fund balance to 1/12 of annual debt service in keeping with IRS regulations. All the current bonds will be paid off by December 2023.

ISSUES

Staff have not identified any issues with this budget.

Analyst:**Katherine Cortes****JUDICIAL ADMINISTRATION****BUDGET TABLE**

	2013-2014 Adopted	2015-2016 Proposed	% Change 2013-2014 v. 2015-2016
Budget Appropriation	\$40,382,176	\$43,062,000	6.6%
FTE:	196.5	193.0	-1.8%
TLTs:	1.0	0.0	-100%
Estimated Revenues	\$25,637,948	\$25,447,000	-0.7%
Major Revenue Sources	General Fund, fees, charges		

The Department of Judicial Administration (DJA) performs the duties of clerk of the court and administers court record services and justice system programs at the Superior Court level. These programs include Adult Drug Court and the Step Up Program for teens who have been violent with family members. The King County Law Library also has a small amount of General Fund allocated in DJA's budget, but the Law Library is largely independent from DJA.

SUMMARY OF PROPOSED BUDGET AND CHANGES

DJA expenditures are proposed to increase by 6.6 percent for the biennium. The excess over inflation comes in the form of central rate increases, the removal of a one percent (\$400,000) contra-expenditure assumption, and a \$400,000 equipment replacement request to fund and support DJA's virtual environment. As described in a proviso response¹ transmitted in April, DJA expects to eventually transition to KCIT-supported virtual hosting, but needs to maintain its current environment with annual investments in equipment until that transition is made.

This budget also proposes efficiency reductions enabled by changes to the Clerk Administrative Specialist staffing model (\$440,000 from 2.0 FTE position reductions) and implementation of a credit/debit point-of-sale system (\$160,000 from 1.0 FTE cashier position reduction). Decreases in the juvenile caseload will enable a 0.5 FTE clerk position decrease and \$97,000 in savings.

DJA receives revenue from the General Fund as well as through charges and fees for services. The department proposes to increase revenues by \$556,000 by raising online copy fees to 25 cents per page, to comply with state law² implemented since DJA began offering this service. A waiver of this fee is available in cases of hardship, to avoid negative equity and social justice impacts.

Mental Illness and Drug Dependency (MIDD) sales tax revenues support several functions and services provided by DJA. All of the MIDD budgets are reviewed in the

¹ 2014-RPT0044

² RCW 36.18.016 (4)

Internal Service Funds and Health and Human Services Panel as part of the overall MIDD budget.

DJA has also proposed a \$4 million capital project to replace the state-run record keeping solution for Superior Court records (which will be retired within three to four years) with a King County solution. This SCOMIS Replacement project will be debt-financed as part of a group of projects identified by KCIT. It will be reviewed as part of the overall Information Technology CIP staff report in the Health and Human Services and Internal Services Panel.

ISSUES

Staff analysis has identified no issues with this budget.

Analyst:	Katherine Cortes
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SUPERIOR COURT

BUDGET TABLE

	2013-2014 Adopted	2015-2016 Proposed	% Change 2013-2014 v. 2015-2016
Budget Appropriation	\$93,572,303	\$98,205,000	5.0%
FTE:	338.1	331.3	-2.0%
TLTs:	2.0	0.0	-100%
Estimated Revenues	\$9,449,299	\$8,674,000	-8.2%
Major Revenue Sources	General Fund, fees, federal and state funds		

King County Superior Court is the County's general jurisdiction trial court with responsibility for felony criminal cases, civil cases, family law, probate and guardianship matters, juvenile offender cases, juvenile dependencies, and mental illness and involuntary commitment matters. During the 2015-2016 biennium, 53 judges and 12 commissioners are expected to handle approximately 50,000 new cases each year.

SUMMARY OF PROPOSED BUDGET AND CHANGES

Superior Court expenditures are proposed to increase by 5 percent for the biennium, with the excess over inflation coming primarily in the form of central rate increases. Within these additions, \$0.5 million can be attributed to Superior Court joining the KCIT workstation leasing program. This business change is aligned with the County's Strategic Technology Plan and is expected to provide better consistency and quality assurance, by providing Superior Court with standardized equipment that will support business-critical software programs.

Mental Illness and Drug Dependency (MIDD) sales tax revenues support several functions and services provided by Superior Court. All of the MIDD budgets are reviewed in the Internal Service Funds and Health and Human Services Panel as part of the overall MIDD budget.

In order to meet budgetary challenges in the General Fund, Superior Court will eliminate 15.0 FTE positions over the biennium, including six vacant and two filled court reporter positions. Superior Court has implemented increased use of technology and scheduling practice efficiencies which make the court reporter reductions possible. Declining caseloads in juvenile programs will enable reductions in two more positions in 2015. An additional 5.0 FTE reductions planned in 2015 (including two additional positions in juvenile court) are not yet specified.

This budget restores General Fund support for \$250,000 in expenditures and one staff position in two dependency programs that were previously backed by State grant funding. Dependency Mediation (\$200,000 and 1.0 FTE) and Parents for Parents (\$50,000 in stipends for peer mentors) provide direct, evidence-backed services to

families in crisis in dependency cases. Underserved populations are disproportionately involved in these cases, and Superior Court seeks to preserve equity and social justice by maintaining these services with the support of the General Fund. Similarly, the Court proposes to make permanent the 0.75 FTE coordinator of the Commercially Sexually Exploited Children Task Force in order to maintain service to a population that disproportionately includes youth from minority and low-income communities.

Superior Court continues to play a key role in project development for the replacement of the Youth Services Center with the voter-approved Children and Family Justice Center (CFJC). The proposed 2015-2016 budget includes a temporary reduction of expenditure related to a sheriff's marshal position due to the relocation of the dependency courtroom to the King County Courthouse during construction of the CFJC.

ISSUES

Staff have not identified any issues with this budget.

Analyst:	Leah Zoppi Polly St. John
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DISTRICT COURT

BUDGET TABLE

	2013-2014 Adopted	2015-2016 Proposed	% Change 2013-2014 v. 2015-2016
Budget Appropriation	\$61,651,275	\$64,519,000	4.7%
FTE:	248.5	248.5	0%
TLTs	0	0	0%
Estimated Revenues	\$34,911,909	\$29,441,000	-15.7%
Major Revenue Sources	General fund, contracts for services, fees		

King County District Court is a court of limited jurisdiction. Its purpose is to adjudicate all misdemeanor cases for unincorporated King County, cases filed by Washington State Patrol and other state law enforcement agencies, and cases from the 13 jurisdictions that contract for municipal court services. The County's nine district courts, 255 employees, and 25 judges handle a caseload of over 200,000 cases per year. Those cases include: criminal misdemeanors and gross misdemeanors, domestic violence and anti-harassment orders of protection, first appearance felony bookings, civil matters up to \$75,000, small claims, name changes, impound hearings, traffic infractions, parking cases, and authorization of search warrants. District Court operates innovative justice programs including Regional Mental Health Court, Regional Veterans' Court, and Relicensing Court.

SUMMARY OF PROPOSED BUDGET AND CHANGES

The proposed 2015-2016 budget for District Court represents a 4.7 percent increase over its 2013-2014 adopted budget. When adjustments for salaries and benefits are factored in, the budget represents a 1.1 percent reduction from 2013-2014.

Changes in the District Court budget include:

- A total of \$584,935 in efficiency cuts that will be taken in 2016 in order to help meet the targeted 3.25 percent reduction for General Fund agencies. The court has not yet identified these cuts but will have time to plan their implementation. Implementation of the District Court Unified Case Management System in 2016 is expected to lead to major operational changes and efficiencies that will inform where the efficiencies can be most effectively taken. District Court notes that its current level of FTEs will be needed in 2015 to implement this large capital project. The 2016 cut is expected to include a reduction in FTEs, but since the specific positions have not yet been identified, the FTEs will be removed in the 2017-2018 budget. The salary savings associated with these cuts will accrue as they occur in 2016 and will represent an ongoing savings.

- Increases of \$415,945, \$241,010, and \$52,000 to fully fund Pro Tem Judges, Interpreters, and Juror and Witness Services, respectively. The increase for Pro Tem Judges is revenue-backed by Trial Court Improvement Act funding. The Interpreter and Juror and Witness Services are mandated services. These increases represent the amount needed to fund the demand for service anticipated based on projections from previous years.
- An increase of \$916,815 for operating expenses associated with implementing a new case management system. These expenses would be financed as part of the \$8.6 million total project cost for the Unified Case Management system.
- A central rate reduction of \$2,193,321, which was achieved primarily through finding efficiencies in information technology services, reduced facilities costs associated with the Bellevue District Court relocation, and lower insurance premiums.
- A 15.7 percent reduction in revenue compared to the 2013-2014 adopted budget. The reduction in revenues is a combination of technical changes in terms of how revenues are accounted for, as well as a trend of declining revenues associated with the economy that is being seen in courts statewide.
- Although the Dispute Resolution Center will continue operations, the expenditures and revenues associated with the service are removed from the Court's budget. This is to reflect a technical accounting function in how the accounts are administered by Finance and Business Operations.

Interpreter Services. During the 2014 budget deliberations, the expenditure authority associated with interpreter services increased because costs were previously subsidized through salary savings associated with vacant positions. The proposed 2015-2016 budget would increase the base for this mandated service by \$241,010 for a total projected cost of \$1.28 million over two years. This proposed increase would ensure that interpreter services are maintained. District Court will continue to seek efficient ways to serve LEP (limited English proficient) clients, including the use of phone interpretation for name change proceedings.

Bellevue District Court Relocation. The District Court has contracted with the City of Bellevue to provide court services for more than 20 years. The Bellevue District Courthouse will be moving from the current Surrey Downs location to a new facility in May 2015. The City of Bellevue has secured a long-term lease for a building in the general vicinity of the existing court. King County will continue to provide District Court services under a use agreement.

Bellevue will pay for the bulk of the move and remodeling costs at the new location. The Executive is proposing a \$790,000 capital project in the Building Repair and Replacement Fund (BR&R) for County costs associated with the relocation and tenant improvements. (These capital costs will be discussed in the capital improvement

program area.) An additional \$275,000 is requested by the Executive in the final 2014 supplemental omnibus request for immediate needs associated with the move.

New Case Management System. The District Court is proposing to implement a new case management system. This project would replace a 34-year old case filing system and several non-integrated side systems with an integrated case management system. The project is expected to result in significant operating efficiencies and improve customer service. The total project cost is \$8,577,058, including \$7,660,242 for capital expenditures and \$916,816 in operating costs. The project would be financed through the issuance of a bond. Further analysis of the District Court Unified Case Management Project will occur in the discussion of Information Technology Capital Improvement Projects.

Proposed Fee Ordinance

The Executive has transmitted Proposed Ordinance 2014-0400 that would amend K.C.C. 4A.634 to give District Court the authority to assess fees for electronic documents that are filed and require special handling, and documents filed in paper rather than via electronic filing. The assumed collections would not affect the 2015-2016 budget. The fiscal note assumes revenues of \$175,000 to the General Fund in 2017-2018 when the new case management system will be operational. This ordinance will be brought before the committee during Reconciliation.

MIDD. All of the Mental Illness and Drug Dependency budgets are reviewed in the Internal Service Funds and Health and Human Services Panel as part of the overall MIDD budget.

ISSUES

Staff has not identified issues associated with this budget.

Analyst:	Clifton Curry
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ENHANCED 911 (E911)

BUDGET TABLE

	2013-2014 Adopted	2015-2016 Proposed	% Change 2013-2014 v. 2015-2016
Budget Appropriation	\$53,874,889	\$59,237,000	10.0%
FTE:	12.0	16.0	33.3%
TLTs:	0.0	0.0	0%
Estimated Revenues	\$50,215,672	\$49,338,000	-1.7%
Major Revenue Sources	Excise taxes		

The King County Office of Emergency Management (OEM) includes two programs: the Emergency Management and Enhanced 911 (E911) Programs. The E911 Program administers funds that are collected by the state and distributed to counties from various telephone excise taxes. "Enhanced" refers to the fact that the 911 system includes the capability to selectively route incoming 911 calls to the appropriate one of twelve Public Safety Answering Points (PSAP) operating in a defined 911 service area. OEM works with all PSAPs or 911 dispatch centers to ensure that equipment and technology is state of the art, providing 911 emergency response services throughout the county.

OEM is also responsible for the transition to what is known as Next Generation 911 (NG911), which is intended to modernize existing, land line-based 911 technology and upgrade systems to better work with wireless and Voice-over-Internet (VOIP) technologies. NG911 will allow better access, provide for text/photo/video-to-911, allow for better location identification, and receive automatic collision notification from vehicles and data from medical devices. The federal government is requiring all 911 systems to implement these NG911 upgrades.

SUMMARY OF PROPOSED BUDGET AND CHANGES

The E911 2015-2016 proposed budget is \$59.2 million, 10.0 percent higher than the amount approved in the 2013-2014 adopted budget. The bulk of the increase is due to the proposed implementation of NG911 technology. E911 is requesting increases for system security (\$3.8 million and 2.0 FTEs) and increases for NG911 equipment for PSAPs (\$2.3 million). The E911 office is also requesting new positions based on system workload. The program, and the requested increases, are supported by 911 phone excise tax revenue.

ISSUES

ISSUE 1 – E911 FUND BALANCE

As noted above, the E911 program is supported by excise taxes. There are excise taxes for land line phones (Switched Access), wireless (Wireless Access and Wireless Prepaid), and Voice-over-Internet (VoIP Access). These revenues directly support the county's E911 program and a portion of the revenues are distributed to the PSAPs to defray the costs of 911 call handling (PSAPs are responsible for the costs of dispatching and other operations.) Excise tax revenues have also been used to defray the costs of the NG911 upgrade.

Revenue from these sources has not kept pace with expenditures, thereby reducing fund balances. While the Executive's proposed budget estimates that there is sufficient fund balance and revenues to support operations during the biennium, it appears that in the 2017-2018 biennium there could be insufficient fund balance to maintain all of the E911 programs. Additionally, it appears that the 2015-2016 proposed budget relies upon approximately \$10 million in fund balance in order to balance revenues and expenditures. The financial plan projects an ending fund balance of \$1.2 million for 2015-2016 and a shortfall of \$9.9 million for 2017-2018.

Staff are continuing to review this issue.

ISSUE 2 - POTENTIAL Consolidation of PSAPs

The adopted 2012 budget included resources for the E911 Program, working with its partner agencies, to evaluate the feasibility of consolidating some of the county's PSAPs. King County's E911 system was originally implemented with 27 PSAPs. Over the years, many PSAPs have been consolidated into larger PSAPs, primarily because the costs of operating 24 hours per day became unmanageable for smaller agencies. Today, there are 12 remaining PSAPs within the E911 system, and the county recognized that the increased costs of maintaining services and implementing NG911 changes could not be maintained with existing funding sources. As a result, the Executive initiated a process to develop options and recommendations to ensure sufficient resources are available for the 911 system into the future.

A PSAP Consolidation Steering Committee, consisting of the directors from each of the twelve PSAPs and police, fire, and EMS representatives, was formed in July 2011. The E911 Program Office, in conjunction with the Steering Committee, developed a Request for Proposals (RFP) for a countywide PSAP Consolidation Feasibility Assessment. GeoComm, a Minnesota-based organization with extensive public safety consulting experience, was selected as the consultant for this assessment. The vendor began the engagement by documenting the existing condition of the E911 system and the PSAP structure, and then conducted the Consolidation Feasibility Assessment. GeoComm presented final recommendations in June 2013, identifying different options for PSAP configuration and system enhancements for further consideration.

The Adopted 2013-2014 Biennial Budget (Ordinance 17476) included a proviso requiring that the office report on the results of the consultant report and any recommendations for consolidation. However, the work group had not come to any final conclusions related to consolidation at the time the proviso was due and the Executive requested an extension to the proviso. In addition, the scope of the proviso was changed from reporting on recommendations to reporting on progress and plans for completion. These changes were adopted in Ordinance 17855 in August 2014.

In responding to the proviso (Proposed Motion 2014-0417), the Executive reports that a PSAP Future Configuration Recommendation Committee was formed for the decision-making phase of the process. This is a committee of policy-makers who will develop recommendations for the future of the E911 system. Members of the PSAP Consolidation Steering Committee became a Technical Committee to assist the Recommendation Committee. A professional facilitator was contracted to facilitate Recommendation Committee discussions.

The Recommendation Committee will analyze potential options identified by GeoComm and also identify and evaluate other viable options before making recommendations. The Recommendation Committee will also develop a transition plan for implementing the recommendations.

The Recommendation and Technical Committees began meeting in October 2013. The Technical Committee has identified 29 options to be considered and is in the process of evaluating these options. The Technical Committee has requested that a financial and NG911 technical consultant be engaged to provide additional expertise and support in evaluating the system finances and options. The goal is to have this review completed in March 2015. In addition, the committees will participate in a Strategic Positioning exercise to assist in setting the future direction of the E911 system.

Options that the Technical Committee determines to be viable will be merged into scenarios and forwarded to the Recommendation Committee for consideration. The Technical Committee will develop an implementation timeline for the proposed scenarios. In addition, E911 policies, such as 911 call routing and PSAP Revenue Distribution, will be reviewed based on the proposed scenarios. It is anticipated that the Technical Committee will forward their refined proposals to the Recommendation Committee in the summer of 2015, allowing the Recommendation Committee to finalize their recommendations by September 2015. A Final Recommendation Report will be developed and the recommendations will be presented to various executive-level committees, including the King County Council, by December 2015.

Staff are continuing to review this issue.

Analyst:	Michael Huddleston Lise Kaye
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DEPARTMENT OF EXECUTIVE SERVICES OFFICE OF EMERGENCY MANAGEMENT

BUDGET TABLE

	2013-2014 Adopted	2015-2016 Proposed	% Change 2013-2014 v. 2015-2016
Budget Appropriation	\$4,814,253	\$4,896,000	1.7%
FTE:	6	6	0%
TLTs:	0	0	N/A
Estimated Revenues	N/A	N/A	N/A
Major Revenue Sources	General Fund		

The Office of Emergency Management (OEM) in the Department of Executive Services is composed of two distinct programs: Emergency Management and the Enhanced-911 Program Office. (The E-911 budget is reviewed separately). The Office of Emergency Management works with cities, special purpose districts, state and federal emergency management agencies, private sector partners, non-profit agencies, and the community to plan for disaster mitigation, preparedness, response and recovery. In addition to coordinating the County's local emergency management responsibilities, OEM also plays a leadership role in regional emergency planning and response:

“... to provide for the effective direction, control and coordination of county government emergency services functional units, to coordinate with other governments and the private, nongovernmental sector, in compliance with a state approved comprehensive emergency management plan and to serve as the coordinating entity for cities, county governmental departments, and other appropriate agencies during incidents and events of regional significance.” (Ordinance 17075, November 2011)

In addition, the Justice and Safety Goal of King County's Strategic Plan includes the following objective and strategies:

Objective 4. Decrease damage or harm in the event of a regional crisis.

- a. Undertake regional emergency planning and preparedness activities, including education and coordination
- b. Coordinate and provide direct response to crises such as communicable disease outbreaks, floods, earthquakes, severe weather events, and homeland security threats.

SUMMARY OF PROPOSED BUDGET AND CHANGES

The total proposed budget for OEM is \$4,896,000, an increase of 1.7% over the previous biennium. The increase of \$81,747 is the net result of approximately \$347,000 in wage, salary, health, COLA and retirement adjustments, offset by approximately \$265,000 in centralized rate reductions (half from reductions in IT rates in the 2015-2016 biennium). Staffing would remain unchanged in 2015-2016.

In addition to the six FTEs funded through OEM's budget appropriation, total OEM positions for the 2015-2016 biennium would also include six grant-funded FTEs and two TLTs budgeted in the Grants Fund (2140), and five FTEs included in the E911 budget that are 60 percent funded through the OEM General Fund budget and 40 percent E911 funded (Division Director, Assistant Division Director, Confidential Secretary, Accountant and Communications Specialist).

Budgets Including OEM FTEs and TLTs	2013-2014 Adopted		2015-2016 Proposed	
	FTE	TLT	FTE	TLT
OEM Budget (General Fund)	6	0	6	0
Grants Fund	6	2	6	2
E911 Budget (60/40 OEM General Fund/ E911)	5	0	5	0
Total	17	2	17	2

ISSUES

ISSUE 1 – LONG TERM SUSTAINABLE PROGRAM FUNDING

OEM administers federal grants on behalf of cities and special purpose districts that have ranged from \$1.6 to \$5.3 million annually since 2010. OEM's share of those grants has ranged from approximately \$764,000 to \$1.6 million annually since 2010, exclusive of E911 grants. In the 2015-2016 proposed budget, federal funds would cover costs for some or all of 11 of the 17 staff (five OEM positions are budgeted 60 percent General Fund and 40 percent E911 and six are fully funded by other federal grants).

These resources do not provide a predictable, long-term revenue source and may divert County resources away from local priorities. Both Congress and the State periodically modify appropriation levels and program eligibility and distribution formulas. Most of the federal grants support national emergency management objectives. OEM is also susceptible to ongoing local funding pressures, with challenges in sustaining ongoing county current expense funding levels and an anticipated shortfall in E911 funding support. The regional E911 financial plan in the next biennial budget projects a program deficit which may also constrain ongoing OEM support.

Recognizing the chronic nature of emergency management funding shortfalls across the state, the Washington State Emergency Management Association (WSEMA) intends to pursue support for long term, sustainable funding for both state and local emergency management organizations in the next legislative session. A sustainable funding source

would allow OEM to implement a strategic work plan focusing on County goals and performance gaps rather than federal grant-driven priorities.

Analyst:	Clifton Curry
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RADIO COMMUNICATIONS

BUDGET TABLE

	2013-2014 Adopted	2015-2016 Proposed	% Change 2013-2014 v. 2015-2016
Budget Appropriation	\$6,763,409	\$9,103,000	34.6%
FTE:	15.0	14.0	-6.7%
TLTs:	0.0	0.0	N/A
Estimated Revenues	\$7,742,244	\$7,787,000	0.6%
Major Revenue Sources	Subscriber fees (county & other agencies)		

The Radio Communications Service unit supports the King County Emergency Communications Radio System (KCECRS). The unit provides infrastructure, installation/maintenance services, radio management, and oversight for over 200 customers (with over 3,500 radios). Within the county, the Sheriff's Office is one of Radio Communication's major users followed by the Road Services Division of the Department of Transportation, and the Department of Adult and Juvenile Detention. External customers include fire districts, Emergency Medical Services (EMS), hospitals, public schools, utilities, and cities. This unit is under the administrative control of King County Information Technology (KCIT).

SUMMARY OF PROPOSED BUDGET AND CHANGES

The Radio Communications' 2015-2016 proposed budget is \$9.1 million, 34.6 percent higher than the amount approved in the 2013-2014 adopted budget. The most significant change is a proposed \$1.1 million purchase of radios by the Sheriff's Office from radio replacement reserves. The Sheriff's Office has requested this amount to add and replace radios over the biennium. The budget also includes a reduction of \$171,702 and 1.00 FTE, reducing an administrative position to reflect efficiencies.

Puget Sound Emergency Radio Network (PSERN) Project. PSERN is the project to replace the current KCECRS (also known as the 800 MHz radio system). The KCERCS is owned and operated by four agencies: City of Seattle, the East Side Public Safety Communications Agency, Valley Communications Center, and the County itself. Countywide, this system consists of 27 transmitter sites, multiple interconnecting microwave and fiber systems, and multiple public safety dispatch centers. King County has been chosen by the KCERCS owners to implement PSERN on their behalf.

PSERN will be the primary means of communications that public safety first responders will use to be dispatched to and communicate at incidents within King County until at least 2040. In addition to first responders, other responder agencies and general government users will use the radio system to conduct their missions. PSERN will replace all electronic infrastructure equipment associated with KCERCS. All other KCERCS infrastructure such as radio towers, equipment shelters, emergency back-up

power and environmental equipment will be upgraded or replaced. The project also intends to replace all end user radios for agencies that currently use the KCERCS, which amounts to approximately 17,000 units.

The PSERN project team is in final negotiations with a vendor and expects to sign a contract in November 2014. Based on a recently approved proviso response (Motion 14237, adopted August 2014), it appears that the Executive will be transmitting legislation requesting the Council to place a levy lid lift on the April 2015 ballot for approximately \$220 million to procure the new system and upgrades. The Executive is also expected to transmit legislation requesting the Council to approve interagency agreements that will govern how the system will be used, operated and maintained.

Assuming funding is approved by the voters, the project expects to begin the implementation phase in 2015 and achieve full system acceptance in 2020, which would be followed by project close-out activities. Due to the magnitude and complexity of the project, the PSERN project was not part of the regular 2015-2016 proposed budget cycle. Staff anticipate that separate legislation will be transmitted and supplemental appropriation authority sought for this project.

ISSUES

Staff have identified no issues with this budget.

Analyst:	Clifton Curry
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ADULT AND JUVENILE DETENTION

BUDGET TABLE

	2013-2014 Adopted	2015-2016 Proposed	% Change 2013-2014 v. 2015-2016
Budget Appropriation	\$265,607,025	\$271,108,000	2.1%
FTE:	914.72	882.60	-3.5%
TLTs:	0.0	0.0	0%
Estimated Revenues	\$41,763,305	\$45,705,000	9.4%
Major Revenue Sources	GF, city, and state contract revenues		

The King County Department of Adult and Juvenile Detention (DAJD) operates one of the largest detention systems in the Pacific Northwest. The adult system is responsible for more than 30,000 bookings a year and the department operates two adult detention facilities (the King County Correctional Facility (KCCF) in Seattle and the Maleng Regional Justice Center (MRJC) in Kent) housing about 1,902 inmates on an average daily basis (year-to-date as of August 2014). The department's Juvenile Detention Division is responsible for the operation of the county's juvenile secure detention facility in Seattle that houses 59 offender youth on an average daily basis (year-to-date as of August 2014). Medical, dental, and psychiatric services for adults in secure detention are provided by Public Health – Seattle & King County and the costs of these services are reflected in the Jail Health Services budget. (The Jail Health Services budget is presented in a separate staff report).

In 2000 (juveniles) and in 2002 (adults),¹ the Council adopted as county policy that secure detention would only be used for public safety purposes. As a result, the county has developed alternatives to secure detention, provides treatment resources to offenders, and provides other community services to offenders to reduce recidivism. Alternatives to secure detention and treatment programs for adults are administered through the department's Community Corrections Division that manages approximately 6,000 offenders annually. The division also provides services to the court to support placement decisions for both pre-trial and sentenced inmates. Alternative programs for juvenile offenders are provided through the Juvenile Detention Division.

SUMMARY OF PROPOSED BUDGET AND CHANGES

The department's 2015-2016 proposed budget is \$271.1 million, 2.1 percent higher than the amount approved in the combined 2013-2014 adopted budgets. According to the Executive, the department submitted a combination of efficiencies, new revenues, and program reductions that totaled \$8.76 million to address the county's General Fund deficit. The efficiencies include reductions in staff for the jail's mental illness housing unit (as a result of the Psych Services Array Lean project initiated in 2013), intake post

¹ Juvenile Justice Operational Master Plan Ordinance 13916, adopted August 7, 2000 and the Adult Justice Operational Master Plan Ordinance 14430 adopted July 22, 2002.

at KCCF, community corrections program manager, juvenile detention, and an Internal Investigations Unit sergeant. The department is also proposing to consolidate transports between the KCCF and the MRJC. The most significant reduction is proposed for the Community Corrections Division's Work/Education Release program. The proposed reduction would halve the number of beds from 150 to 75 and reduce the budget by \$1.2 million and 5.56 FTEs. This proposed change is discussed below. The department is also projecting a substantial increase in contract revenue (\$4.7 million) as cities and the state house move offenders in the county's facilities. The department's proposed efficiency reductions are in contrast to the proposed increases for the implementation of requirements associated with federal Prison Rape Elimination Act and the addition of public disclosure program manager position.

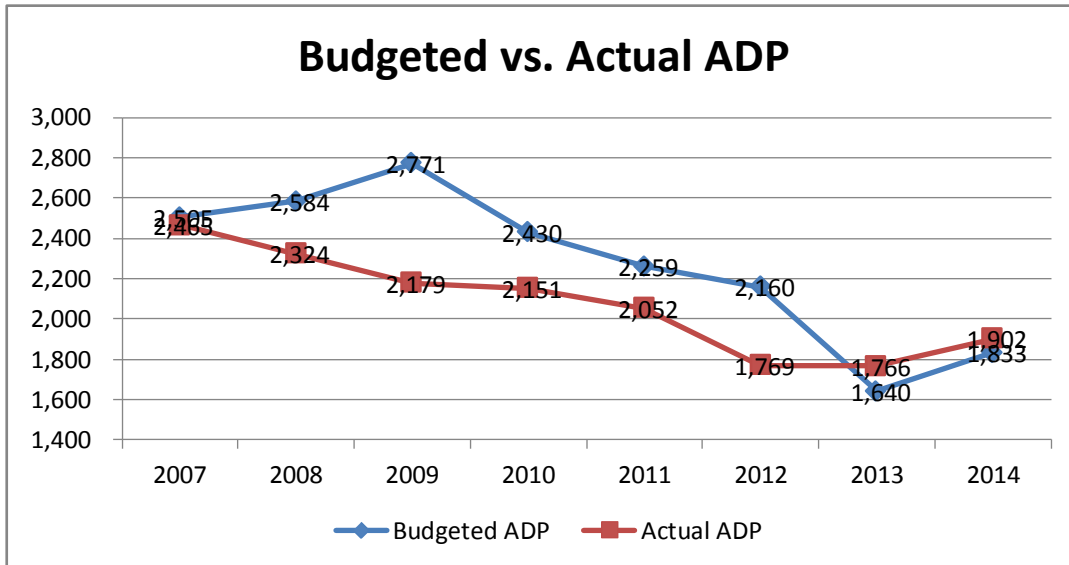
The department's projected secure adult detention population for 2015-2016 indicated that an additional \$3.4 million would be needed for the biennium. Instead of recommending that the budget be increased for housing this population, the Executive is proposing a jail population cap of 1,800 average daily population (ADP). As a result, the department's budget for secure adult detention would remain at status quo. This proposal is described below. The Department's projection for juvenile secure detention remains at 65 ADP, the same as the 2014 population forecast. It should be noted that the juvenile secure ADP was below projections in 2013, with an average of 59 ADP through August, or 9.2 percent below forecast. While the population estimate for the biennium is the same as for 2014, the department is reducing the juvenile detention budget. The department is proposing to eliminate vacant juvenile detention officer positions, representing a reduction of \$367,087 in expenditures and 2.00 FTEs, not as a result of population changes, but to address the county's General Fund deficit.

ISSUES

ISSUE 1 – ADULT SECURE DETENTION POPULATION CAP: \$0 & 0.00 FTEs

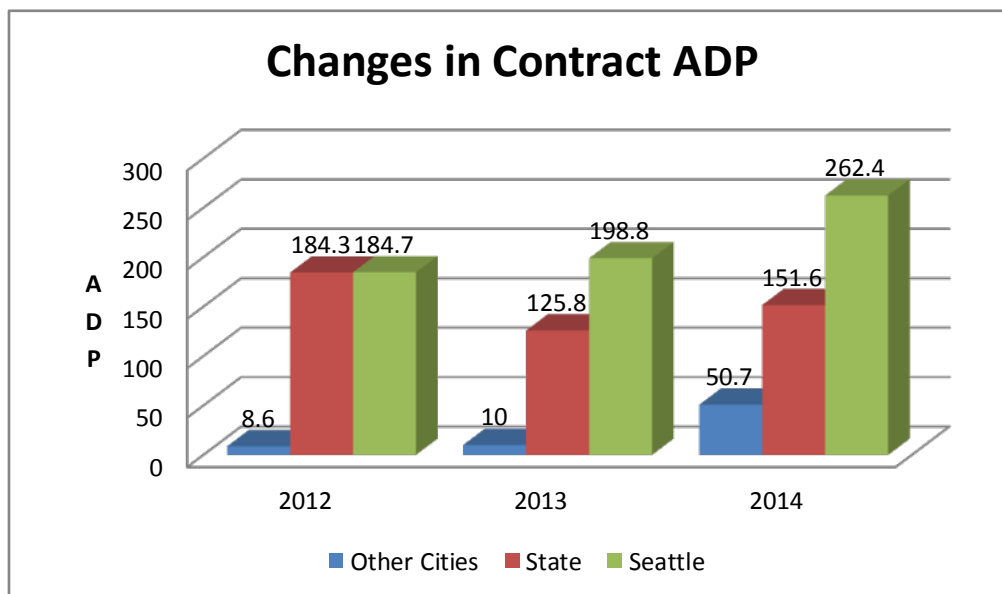
The department projects an increase in ADP from 2014 budgeted levels, increasing the department's planning number from 1,833 ADP in 2014 to 1,917 ADP for 2015 and 1,868 for 2016.

Secure detention population had been declining for several years, usually faster than projections. However, since 2013, the department has seen an increase in secure detention population above forecast levels. The following chart compares projected secure detention populations against actual population since 2007.



Source: Department of Adult and Juvenile Detention, Line of Business Plan 2015-2024 and Detention and Alternatives Report

The county has seen a general increase in its secure detention ADP, growing from a low of 1,702 ADP in January 2012 to a high of 1,958 ADP in July 2014. The bulk of the growth of in ADP can be attributed to increasing contract use of the jail by cities and the state. The cities, in particular, have been increasing their use of the county's jail facilities after the Snohomish County jail reduced its acceptance of contract inmates from King County cities. The Snohomish County jail ceased contracting with all cities in May 2014. As a consequence, cities that had used Snohomish County have had to use other options, including King County. The following chart shows this increase.



Source: Department of Adult and Juvenile Detention, Line of Business Plan 2015-2024 and Detention and Alternatives Report

Contract city and state use of the jail has grown from a total of 378 ADP in 2013 to more than 575 ADP in 2014, a 52 percent increase. As a result of this growth in the use of the county's facilities, the proposed budget includes a revenue increase of \$4.7 million during the biennium.

According to the Executive, the staff to manage the forecast ADP growth would require an additional \$5.2 million over the 2015-2016 biennium (combined DAJD and Jail Health Services costs) and approving this additional funding would increase the county's estimated \$54 million deficit to \$59.2 million, necessitating additional cuts in General Fund agencies. As a result, the Executive is proposing that the county manage the jail population to a budgeted ADP of 1,800 for the biennium, resulting in no changes to secure detention staffing except for efficiency reductions (mental illness floor officers, intake post position, and transport staff).

The Executive proposes to develop methods and plans for managing the population before the end of November 2014 through a collaborative process involving the King County Sheriff's Office, District Court, Superior Court, the Prosecuting Attorney's Office, the Department of Public Defense, and DAJD. Other jurisdictions in Washington State, and nationwide, have employed booking restrictions or early release matrices to manage jail populations, consequently King County's proposed efforts are not unprecedented. For example, King County has used booking restrictions for its juvenile secure detention since 1999.

According to the Executive's proposal, King County will honor its existing contracts with King County cities and the State Department of Corrections and will continue to book and hold individuals covered by these contracts. In addition, the Executive notes that there will be no layoffs of County employees due to managing the jail population.

Staff will continue to review this issue.

ISSUE 2-WORK/EDUCATION RELEASE REDUCTIONS: (\$1,215,022) & (5.56 FTEs)

Work and Education Release (WER) is an alternative to secure detention program operated by the Community Corrections Division (CCD). Program capacity is 150 beds, with a 2014 ADP of 145 through August 2014. Based on reviews done earlier this year by the Adult Justice Advisory Group (AJAG), a subcommittee of the Criminal Justice Council, approximately half of the participants are employed and a further 20 percent are enrolled in education or treatment programs. However, the review determined that 27 percent of the program participants are not employed or in school/treatment and do not leave the facility for these reasons. WER operates on a detention model in the King County Courthouse using old jail spaces and provides no employment, education or treatment programs for participants.

The proposed budget would reduce the WER population by approximately half, with a maximum of 75 ADP in the Courthouse, plus eight no-cost contract beds with DOC, resulting in a reduction of \$1,215,022 and 5.56 FTEs. It is assumed that the remaining 75 ADP will return to secure detention; however, no added expenditures are assumed in

the budget for the additional population because of the proposed secure detention population cap.

The Executive indicates that the focus of the program would be on employed offenders and Adult Drug Court participants. DAJD would work with the courts and its other criminal justice partners to implement this program reduction in January 2015. The executive also notes that in 2015, DAJD would work with the Facilities Management Division to find a new location for the program because the current courthouse space is inadequate. It is the intent of the Executive that the relocation would be combined with transitioning the program from a detention-based model to a community-based model to better meet the needs of program participants.

ESJ Implications of the Proposal: In the AJAG review of WER alternatives, it was documented that any reductions to WER would have a disproportionate impact on persons of diverse racial and ethnic backgrounds. The AJAG group, in its review, noted that ESJ impacts would vary depending on which option was chosen. In the budget, the Executive is proposing to maintain 75 beds for those who are employed. As a result, those in the unemployed group (those in treatment, school, or neither) would be disproportionately impacted. There are a higher percentage of African Americans in that group (41 percent) compared to African Americans in the employed group (27 percent) and the total WER population (32 percent). Therefore, any changes that favor employed participants will more severely impact those who are unemployed and are in need of additional services not currently provided, in short, disproportionately affecting disadvantaged populations.

Staff will continue to analyze this issue.

ISSUE 3- FEDERAL PREA STANDARDS IMPLEMENTATION: \$1,105,277 & 5.00 FTEs

In early 2013, Department of Justice standards for the Prison Rape Elimination Act (PREA) were enacted, requiring all prisons and jails to follow specific standards relating to sexual assaults, harassment and retaliation toward incarcerated individuals. These standards also apply to the specific treatment of juveniles housed in adult facilities, requiring sight and sound separation from adults.

A PREA audit, conducted by a consultant who is recognized by the federal Department of Justice as a national PREA expert, at the DAJD adult facilities (KCCF & MRJC) was conducted May 12-16, 2014. An exit conference was conducted on May 16, 2014. Preliminary results indicated that DAJD was in compliance with four standards and had efforts underway to implement corrective action for 10 other standards. The audit requires that the department complete certain types of training and also that the county makes changes to how juvenile detainees are held. The final audit will be released by January 2015. The department plans to make corrective changes to address all of the required standards.

The major expenditure associated with the PREA audit findings has to do with identified changes that are needed in the housing of certain juvenile detainees. DAJD has housed an average of 10-15 juvenile "auto-declines" (youth charged with crimes that require them to be adjudicated as adults) in single cells in housing units at the MRJC

that also contain adults. To comply with the mandated federal standards, the department plans to repurpose partial units at the MRJC to efficiently house youth with sight/sound separation from adults, with 24/7 staffing of one corrections officer per shift, an increase in the 2015-16 budget of \$1,046,699 and 5.34 FTEs.

Staff have not identified any issues with this request.

Analyst:	Clifton Curry
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JAIL HEALTH SERVICES

BUDGET TABLE

	2013-2014 Adopted	2015-2016 Proposed	% Change 2013-2014 v. 2015-2016
Budget Appropriation	\$51,018,649	\$57,191,000	12.1%
FTE:	134.7	140.0	3.9%
TLTs:	0.0	0.0	0%
Estimated Revenues	\$1,086,765	\$1,151,000	5.9%
Major Revenue Sources	GF, Medicaid, Payments from DCHS, Seattle Human Services and Inmate Welfare Fund		

Jail Health Services (JHS), a program of Public Health – Seattle & King County, provides medical, psychiatric and dental services to inmates incarcerated in the Department of Adult and Juvenile Detention's (DAJD) secure detention facilities for adults, evaluating all inmates booked into the facilities and providing direct services to those who require them. The JHS workload is driven both by the number of adult inmates in the jails and the acuity of their health needs, neither of which is controlled by JHS. The recent declines in population in the county's adult jails have reduced JHS's workload; however, the nature of the population that remains in the jails is more challenging than in the past.

JHS operates under multiple legal and regulatory mandates, including National Commission for Correctional Health Care accreditation, the U.S. Department of Justice settlement agreement, the Washington State Board of Pharmacy regulations and the Hammer settlement agreement. Reducing or eliminating health services must be balanced with the need to ensure compliance with legal standards, settlement agreements, or accreditation requirements. This budget report does not include the funding provided to JHS from the county's Mental Illness and Drug Dependency (MIDD) program. All of the MIDD budgets are reviewed in the Internal Service Funds and Health and Human Services Panel as part of the overall MIDD budget.

SUMMARY OF PROPOSED BUDGET AND CHANGES

The JHS 2015-2016 proposed budget is \$57.2 million, about 12 percent higher than the amount approved in the 2013-2014 Adopted Budget. The bulk of the increase, \$1.9 million, is due to the reduction in the MIDD transfer to JHS as supplantation levels are reduced. In addition, the JHS budget is proposed to increase by \$306,438 to reflect jail health's share of operations and maintenance costs of the new Public Health electronic record system. JHS is also seeing increases to salaries (\$322,338 step/merit) and its Public Health overhead allocation (\$1.7 million).

To offset these increases, the JHS budget includes a \$1.0 million reduction related to two proposed new efficiency efforts. JHS is continuing its efforts related to the Psychiatric Services Array which sought align staff resources and work processes with best known clinical practices in order to improve patient outcomes. As a result of its continued efforts in this area, DAJD proposed budget includes a reduction of Mental Illness Corrections Officers (\$1.0 million, 5.0 FTEs).

In its efforts to find efficiencies and to improve services, JHS plans to focus on two efforts – “patient centered care” and continuous improvement – in order to create savings during the biennium. The Executive reports that while the potential savings from these two efforts is not known, savings have been projected at \$1.0 million for the biennium. Based on JHS staff’s experience with the Psych Services Array, they believe that these savings are achievable during the biennium. The two efforts are described below.

Patient Centered Care. This project focuses on moving from “practice centered” to “patient centered” care, with the goal of reducing waste and wait times where possible, and bringing value “up front” to the patient. Determining what is important to patients is critical to meeting their needs. JHS has developed two goals: (1) addressing patient needs in less time at the first point of contact; and (2) improving existing processes to address patient defined requirements during pre-jail, in-jail, and post-jail services.

In 2014, a JHS project team began planning for two pilots to explore better methods of collaboration between clinicians, closer to the point of care. These pilots involve siting a provider in Intake Transfer and Release (ITR, also known as “booking”) at the Maleng Regional Justice Center, together with the on-shift nurses; and siting a provider with the nurses performing triage at KCCF. JHS anticipates these changes will reduce administrative provider reviews, clinic visits, and nurse work (contacting on-call providers and setting reminders for work needed by provider-level practitioners).

Creating Continuous Improvement. JHS reports that it learned from the Psych Services Array Lean process that continuous improvement is a necessary and continuing requirement even after Lean recommendations have been implemented. JHS notes that having continuous improvement as part of its standard processes, with staff members trained to recognize when processes are not delivering expected results, is important in order to initiate and implement improvements, rather than accepting the status quo.

JHS is collaborating with King County's Continuous Improvement Team to develop "Creating Continuous Improvement (CCI) Training." JHS began work in 2014, and expected to train 16 supervisors and leads to establish, sustain, and improve standard work for key processes used by their teams. If gaps remain between defined targets and expected results, the teams will design and implement additional improvement activities, modify standard work as necessary, and train staff on the improvements. JHS anticipates this process of seeking out waste and continuously improving processes will result in efficiencies.

Staff have not identified issues with this request.

Analyst:	Clifton Curry
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INMATE WELFARE FUND - ADULT

BUDGET TABLE

	2013-2014 Adopted	2015-2016 Proposed	% Change 2013-2014 v. 2015-2016
Budget Appropriation	\$3,492,525	\$3,985,000	14.1%
FTE:	1.0	1.0	0%
TLTs:	0.0	0.0	0%
Estimated Revenues	\$1,718,266	\$2,044,000	19.0%
Major Revenue Sources	Inmate phone calls and commissary		

The Department of Adult and Juvenile Detention (DAJD) is responsible for the operation of two adult detention facilities (jails) housing about 1,902 inmates on an average daily basis. The Inmate Welfare Fund for Adults (IWF-Adult) is used to pay for a variety of inmate services, including contracts with local service agencies, and to provide support to volunteer programs, including faith ministry, mentoring, literacy, etc. The fund is primarily funded through contract revenues from inmate phone calls and commissary purchases.

SUMMARY OF PROPOSED BUDGET AND CHANGES

The IWF-Adult 2015-2016 proposed budget is \$2.0 million, 19.0 percent higher than the amount in the combined 2013-2014 budgets. As noted in the DAJD budget review, the department's 2015 projection for adult secure detention is 1,800 ADP, an decrease from the secure detention population of 1,833 ADP budgeted for 2014 (although actual ADP has been at 1,902 inmates, higher than projected, generating more revenues). The proposed budget adds \$277,414 for direct inmate services including support volunteer coordinators, a reading program officer, commissary staff, and a Jail Health Services Inmate Release Planner.

In 2014, the adopted budget included expenditures for Recidivism/Reentry Coordinator, a position residing in the PSB budget. The IWF-Adult proposed budget includes one more year of IWF funding for the position and plans to transition funding for this position to grant funds in 2016, reducing the IWF contribution for this position during the biennium. Finally, the budget recognizes new revenues of \$643,500 over the next two years, primarily from new estimates of vendor payments.

ISSUES

Staff have identified no issues for this budget.

Analyst:	Clifton Curry
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DIVISION/PROGRAM NAME-INMATE WELFARE JUVENILE

BUDGET TABLE

	2013-2014 Adopted	2015-2016 Proposed	% Change 2013-2014 v. 2015-2016
Budget Appropriation	\$12,500	\$8,000	-36.0%
FTE:	0.0	0.0	0%
TLTs:	0.0	0.0	0%
Estimated Revenues	\$1,440	\$2,000	17.6%
Major Revenue Sources	IWF-Adult		

The Department of Adult and Juvenile Detention (DAJD) is responsible for the operation of the county's juvenile detention facility, which houses about 60 youth on an average daily basis. The Inmate Welfare Fund-Juvenile (IWF-Juvenile) uses funds transferred from the Inmate Welfare Fund-Adult to pay for a variety of services for juvenile detainees, including contracts with various community service providers, supporting volunteers, and other programs. The fund is primarily funded through contract revenues from *adult inmate phone calls and commissary*. DAJD transfers some of these revenues to support programs and services for juvenile detainees.

SUMMARY OF PROPOSED BUDGET AND CHANGES

The IWF-Juvenile 2015-2016 proposed budget is \$8,000, 36.0 percent lower than the amount approved in the combined 2013-2014 adopted budgets. As noted in the DAJD budget review, the department's 2015 projection for juvenile secure detention is 65 average daily population (ADP), the same as its projection for 2014. It should be noted that the juvenile secure ADP has been below projections in 2014, with an average of 59 ADP through August, or 9.2 percent below forecast. Juvenile secure detention population has been as low as 48 ADP in 2014, and ranges from 50 to 80 youth during the year. The decrease in the IWF-Juvenile reflects the reduced population in juvenile detention and the corresponding reduced need for fund-supported services.

ISSUES

Staff have identified no issues with this budget.

Analyst:	Nick Wagner
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PROSECUTING ATTORNEY

BUDGET TABLE

	2013-2014 Adopted	2015-2016 Proposed	% Change 2013-2014 v. 2015-2016
Budget Appropriation	\$127,042,602	\$134,593,090	5.9%
FTE:	468.46	469.46	0.2%
TLTs:	5.0	4.0	-20.0%
Estimated Revenues	\$35,380,573	\$36,517,066	3.2%
Major Revenue Sources	General Fund; charges to non-General-Fund agencies to which the PAO provides legal services		

The Prosecuting Attorney's Office (PAO) is responsible for the prosecution of all felony and juvenile cases in King County and all misdemeanor cases generated in unincorporated areas of King County. The PAO also serves as legal counsel to the Metropolitan King County Council, the King County Executive, all executive agencies, the Superior and District Courts, the King County Sheriff's Office, the King County Assessor, the various independent boards and commissions, and some school districts. Each year, the PAO receives and reviews over 20,000 criminal investigations and referrals from the county's many different law enforcement agencies.

SUMMARY OF PROPOSED BUDGET AND CHANGES

The proposed budget would increase this appropriation by 5.9 percent, from \$127,042,602 in the 2013-2014 biennium to \$134,593,090 in the 2015-2016 biennium, an increase of \$7,550,488. Revenues are expected to increase by 3.2 percent, from \$35,380,573 in 2013-2014 to \$36,517,066 in 2015-2016, an increase of \$1,136,493.

The PAO's FTE count would increase by 1.0, from 468.46 to 469.46. The TLT count would decrease by the same number, from 5.0 to 4.0.

ISSUES

ISSUE 1 – \$2,550,000 ATTRITION REDUCTIONS

In order to meet the Executive's goal of reducing the PAO budget by \$2,550,000, the PAO proposes to eliminate selected vacant positions through attrition during the biennium. The budget submittal notes that the PAO expects these reductions to affect its capacity to bring serious felony cases to trial in a timely manner and to cause a reduction in Civil Division service to General Fund agencies. According to the PAO, the

specific positions to be eliminated have not yet been identified; therefore, only the salary account has been reduced; the FTEs would be removed in 2017-2018 Pro Forma.

In view of the PAO's expectation that the proposed attrition reductions will affect its ability to complete necessary tasks, staff analysis of this reduction is continuing.

ISSUE 2 – 180 PROGRAM

This proposal would make the 180 Program (a pre-filing diversion program) a permanent part of the PAO's base budget. The program keeps youth out of the criminal justice system, and a 180 Project Process Evaluation conducted by the University of Washington, dated December 31, 2012, suggests that the program may reduce recidivism. This proposed appropriation would also add \$150,000 to expand the program to approximately 300 additional youth annually. The additional funding would allow the PAO to re-invite youth who were initially invited to participate in 180, but failed to do so. When those youth failed to participate in a 180 workshop, charges were filed against them. If they successfully complete a 180 workshop after being re-invited, the charges against them will be dismissed.

A data-based evaluation of the program's effectiveness in reducing recidivism, requested by the Council last year in a proviso to the 2014 Annual Budget (Ordinance 17695 § 29, which required submittal of a plan for the evaluation, receipt of which the Council acknowledged by Motion 14121, adopted on May 5, 2014), is expected to be completed by mid-October 2014, according to executive staff. Staff will review and analyze this report when it is completed and prepare a summary of its findings.

ISSUE 3 – SALARY ADJUSTMENT FOR NON-SENIOR DEPUTIES

Deputy prosecuting attorneys (DPA) I, II, III, and IV pay scales are incompatible with the budget system's ability to automatically calculate salary and step increases. This technical adjustment adds a one-time salary and benefits alignment for DPAs, less the 0.75 percent standard increase for Step/Merit. The total change for 2015-2016 is \$1,322,424. The decision package also removes \$1,772,980, which should have been removed in the Pro forma process, leaving a net reduction of \$450,556. This alignment is recalculated and adjusted each year.

Staff analysis of this proposed salary adjustment is continuing.

Analyst:	Nick Wagner
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PAO ANTIPROFITEERING

BUDGET TABLE

	2013-2014 Adopted	2015-2016 Proposed	% Change 2013-2014 v. 2015-2016
Budget Appropriation	\$119,897*	\$240,000	100.2%
FTE:	0.0	0.0	0.0%
TLTs:	0.0	0.0	0.0%
Estimated Revenues	\$0	\$0	0.0%
Major Revenue Sources	Assets seized by law enforcement		

The Prosecuting Attorney's Office's (PAO) Antiprofitteering fund was established under state law as a repository for assets seized by law enforcement that were obtained through illicit drug profits or other racketeering activity. The establishment and usage of this fund has close parallels to the King County Sheriff's Drug Enforcement Forfeit Fund, although this particular fund is solely for the use of the PAO to prosecute these types of highly sensitive cases. The courts have narrowed the ability of law enforcement to pursue many asset forfeiture cases, and many municipalities have elected to pursue their own asset forfeiture programs; thus, the fund balance has remained static over the last few years. The PAO requests that this appropriation be carried over so that if the opportunity to pursue a major racketeering case should arise, these resources would be available to draw upon if necessary.

*The Executive's Proposed Budget indicates that the 2013-2014 adopted budget for this fund was \$239,794; however, that is subject to misinterpretation. What happened is that \$119,897 was appropriated for 2013 and then, the funds not having been spent in 2013, the same amount was re-appropriated for 2014.

SUMMARY OF PROPOSED BUDGET AND CHANGES

The Executive's Proposed Budget would increase the appropriation for this fund by 100.2 percent to \$240,000. This does not seem to be what the Executive and the PAO intended, which is that the existing amount remain available as it has for the past several years. Executive budget staff agrees that the correct amount of the appropriation is \$120,000.

ISSUES

ISSUE 1 – ERROR IN APPROPRIATION AMOUNT

As described above, the amount of this appropriation should be changed to \$120,000. Staff will prepare the necessary changes for the final budget document. .

Analyst:	Nick Wagner
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DEPARTMENT OF PUBLIC DEFENSE

BUDGET TABLE

	2013-2014 Adopted	2015-2016 Proposed	% Change 2013-2014 v. 2015-2016
Budget Appropriation	\$90,242,830	\$109,172,000	21.0%
FTE:	356.75	343.75	-3.6%
TLTs:	1.00	0.00	-100.0%
Estimated Revenues	\$10,472,609	\$26,036,000	148.6%
Major Revenue Sources	General Fund, DPD contracts with other jurisdictions, fees		

In keeping with federal and state constitutional requirements, state law, and the county code, the Department of Public Defense (DPD) provides public defense services to indigent and near-indigent individuals in King County in all matters in which there is a potential loss of liberty. DPD screens clients for financial eligibility for indigent defense services, assigns cases to attorneys, and manages the attorneys and support staff who provide legal services to a majority of the County's indigent defendants.

DPD came into existence on July 1, 2013, when the attorneys and non-attorney staff who had been providing public defense services through county contracts with four private nonprofit agencies became regular county employees following the Washington Supreme Court's 2011 decision in *Dolan vs. King County*. DPD was then formally instituted with characteristics designed to promote the independence of the department, through a charter amendment that was approved by voters in November 2013. In both the charter amendment and the implementing ordinance (Ordinance 17678), DPD is charged with "fostering and promoting system improvements, efficiencies, access to justice and equity in the criminal justice system."

To minimize disruption to both employees and clients during the migration to an in-house department, the attorneys and staff of the four nonprofits were allowed to remain in their existing locations, but were assigned to four corresponding divisions of DPD. The 2014 adopted budget assumed that the four divisions would be reduced to two, but that has not happened. Instead, the Executive is now proposing that the number of divisions be reduced from four to three, because DPD believes that three divisions are needed to manage conflicts of interest, at least for the 2015-2016 biennium. The Executive's proposed budget assumes that the DPD will be reduced to three divisions by January 1, 2015; however, DPD has indicated that the transition to three divisions will not be complete until September 2016.

SUMMARY OF PROPOSED BUDGET AND CHANGES

The 2015-2016 proposed budget would increase DPD's appropriation by 21.0 percent, from \$90,242,830 for the 2013-2014 biennium to \$109,171,894, an increase of

\$18,929,064. DPD's estimated revenues would increase by 148.6 percent, from \$10,472,609 to \$26,035,178, an increase of \$15,562,569. The increase in DPD's appropriation would exceed the increase in DPD's revenues by \$3,366,495, which is about 3.7 percent of DPD's appropriation for the 2013-2014 biennium.

DPD's FTE count would decrease by 3.6 percent under the proposed budget, from 356.75 to 343.75 by the end of the 2015-2016 biennium. This reflects to some extent that the private agencies had been paying their attorneys and staff less than assumed under DPD's public defense service delivery model, with the result that DPD acquired about 40 more employees than expected in the transition from the private agencies to DPD. Although about half of those 40 employees were in temporary or short-term positions and DPD has tried to align its staffing with its budgeted FTE count, some of the initial excess staff remain with DPD.

The proposed budget includes the following changes:

- Additional revenue and/or cost savings are anticipated from:
 - The Washington State Parent Representation Program: \$1.3 million revenue increase;
 - Legally-free youth representation for state-mandated representation of children in dependency cases: \$600,000 revenue increase;
 - The Prosecuting Attorney's proposal not to file cases for Driving While License Suspended (DWLS) 3, which will allow DPD to reduce its misdemeanor case load staffing: \$1.5 million cost reduction;
 - The elimination of 3.0 FTE Division Assistant Directors, due to DPD divisions now being supported by central administrative services: \$1.1 million cost reduction; and
 - Expansion of Project 180 to divert an additional 300 cases out of the juvenile court system each year: \$246,030 cost reduction.
- Proposed additional funding for assigned counsel cost alignment (\$2 million) and expert witness compensation (\$700,000) to reflect projected costs in the 2015-2016 biennium.
- The transition from four divisions to three, which is projected to yield net biennial savings of \$762,333 and 4.0 FTEs and to be complete by September of 2016.

Equity and Social Justice (ESJ)

As reflected in the charter amendment that created DPD and in Ordinance 17678, both of which call upon DPD to "foster and promote system improvements, efficiencies, access to justice and equity in the criminal justice system," DPD's mission is integrally related to equity and social justice. The proposed budget identifies the following items related to ESJ:

- **Civil Legal Needs Update study.** This proposed \$50,000 project would fund an updated, statistically-reliable study of the civil legal needs of low and very low income households and the link between those needs and household members'

involvement with the criminal justice system. The study is being conducted by the Social and Economic Sciences Research Center (SESRC) and Washington State University under the auspices of the Supreme Court's 2014 Civil Legal Needs Study Update Committee.

- **Continuation of the ROYAL program.** The Raising Our Youth As Leaders (ROYAL) Program works to reduce juvenile justice recidivism and violence among young people by providing mentoring, case management, and other support. A proposed allocation of \$505,000 from the King County Department of Community and Human Services (DCHS) would extend the program through the 2015-2016 biennium.
- **Prosecuting Attorney's proposal not to file DWLS 3 cases.** Driving While License Suspended (DWLS) 3 charges are typically brought against defendants who have had their driver's license suspended due to unpaid infractions (e.g., speeding) and thus have a disproportionate impact on low-income residents. DPD notes that not pursuing DWLS 3 cases will have positive equity and social justice effects by preventing individuals who are unable to pay infraction fines from becoming involved in criminal proceedings. This change is expected to save \$1,466,812 and 7.0 FTEs in the biennium

Public Defense Advisory Board

The Council recently confirmed the Executive's appointment of the first King County Public Defense Advisory Board, which was created last year by the voters of King County when they approved a charter amendment creating DPD. One of the Board's first tasks, assigned by the Council in Ordinance 17678, is to prepare and submit to the Council a report on the proposed budget for DPD, so that the Council will have the benefit of the Board's perspective in adopting the County budget. The Board has begun work on that task.

MIDD

All of the Mental Illness and Drug Dependency budgets are reviewed in the Internal Service Funds and Health and Human Services Panel as part of the overall MIDD budget.

DPD Budget Requests Not Included in Executive's Proposed Budget

The following DPD funding requests, totaling approximately \$9 million, were not included in the Executive's proposed budget:

- Assigned counsel rate adjustment (\$2.2 million), which DPD considers critical to attract qualified attorneys;
- Restoration of Administrative and Management Support (\$1.3 million, FTE: 6.0), as staff were reduced in anticipation of the reduction of DPD divisions to two, which did not happen;

- Supplies, services, and clerical support (\$3.1 million, FTE 12.0), to better reflect actual costs and workload;
- Re-Entry Project (\$954,277; FTE: 5.0), to improve clients' access to education, employment, housing, and other needs; and
- Contingency funding to ensure caseload capacity (\$1.5 million), to provide funding for temporary staff to be used as surge capacity during times of high caseloads.

ISSUES

ISSUE 1 – REDUCTION OF DPD FROM FOUR DIVISIONS TO THREE

Staff analysis of the reduction of DPD to three divisions is continuing. The analysis is expected to include review of the report and recommendations of the Public Defense Advisory Board.

Analyst:	Amy Tsai
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DRUG ENFORCEMENT FORFEITS

BUDGET TABLE

	2013-2014 Adopted	2015-2016 Proposed	% Change 2013-2014 v. 2015-2016
Budget Appropriation	\$2,143,809	\$2,049,000	-4.4%
FTE:	3.0	3.0	0.0%
TLTs:	0.0	0.0	0.0%
Estimated Revenues	\$2,551,966	\$2,552,000	0.0%
Major Revenue Sources	Fines and forfeitures from drug crimes		

The Drug Enforcement Forfeits Fund supports drug enforcement activities of the King County Sheriff's Office (KCSO). The fund is primarily funded through fines and forfeitures from drug crimes, ultimately collected and distributed by the state from federal, state and local forfeiture actions. These funds are required by state law to be used to support drug enforcement investigation staffing and affiliated expenses.

SUMMARY OF PROPOSED BUDGET AND CHANGES

The total 2015-2016 Proposed Budget for Sheriff's Office Drug Enforcement Forfeits is \$2.0 million, 4.4 percent lower than the 2013-2014 adopted budget of \$2.1 million. The reduction is due primarily to technical adjustments in the base budget and central rates.

ISSUES

Staff have not identified any issues with this budget.

Analyst:	Amy Tsai
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KING COUNTY SHERIFF'S OFFICE

BUDGET TABLE

	2013-2014 Adopted	2015-2016 Proposed	% Change 2013-2014 v. 2015-2016
Budget Appropriation	\$288,599,889	\$300,046,000	4.0%
FTE:	969.50	976.50	0.7%
TLTs:	0.0	6.0	600.0%
Estimated Revenues	\$161,193,770	\$178,974,000	11.0%
Major Revenue Sources	General Fund, contracts, grants		

The King County Sheriff's Office (KCSO) provides law enforcement services for unincorporated King County as well as for over 40 other governmental agencies, including 12 contract cities. In addition to providing patrol services, KCSO provides numerous specialty law enforcement services including an air support unit, marine unit, SWAT, major crime investigations, bomb disposal, major accident response and reconstruction and arson investigations. KCSO also performs other functions such as emergency 9-1-1 call receiving and dispatching, service of court orders related to civil court filings, issuing concealed weapons permits, and sex offender registration. KCSO is led by an independently elected Sheriff.

KCSO has provided contract police services for over 25 years. Today, KCSO serves 12 cities and towns by providing tailored contract police services. In addition, KCSO provides services to almost 20 other organizations, including the U.S. Forest Service, King County International Airport, Metro Transit, Sound Transit, the Muckleshoot Indian Tribe, King County Housing Authority, state agencies, and school districts.

SUMMARY OF PROPOSED BUDGET AND CHANGES

The 2015-2016 proposed budget of \$300 million for KCSO is an increase of \$11.4 million, or 4 percent, compared to 2013-2014. Revenues of \$179 million represent an increase of \$17.8 million, or 11 percent. The proposed KCSO budget is focused around a number of issues:

No decreases in patrol staffing. The proposed budget includes no decreases in patrol staffing. Maintaining existing levels of patrol staffing in unincorporated King County can be viewed as a positive local government impact given the ongoing pressures on the General Fund.

Increases in contract services. KCSO is relatively unique in the degree to which it contracts services to partner jurisdictions. Revenues from these contracts equal about

half of the department's operating costs. Contract services are proposed to continue to grow in the 2015-2016 budget. The proposed budget contains about \$5 million in new contract services for contract partners. Other requests partially supported by contract revenue include position changes that total about \$2 million, with about half of that revenue-backed by contracts. Budget requests with associated contract revenue are highlighted in Tables 1 and 2 below.

Table 1. Proposed Budget Items Fully Revenue-Backed by Contracts

Budget Request	Expenditure	Revenue	FTE	Comment
Sound Transit Officers for University Link light rail	\$3,376,253	\$3,484,227	12.0	Sound Transit may refine number of requested officers
Sammamish Officers for Klahanie Annexation	\$1,111,408	\$1,014,495	6.0	Dependent on annexation occurring; no KCSO reductions for unincorporated area service
Covington School Resource Officer	\$233,124	\$357,430	1.0	Approved in Omnibus Ordinance 17855
UW football overtime	\$146,000	\$146,000		
Total	\$4,866,785	\$5,002,152	19.0	

Table 2. Proposed Budget Items Partially Revenue-Backed by Contracts

Budget Request	Expenditure	Revenue	FTE	Comment
Eliminate Six IT Project Management Positions	\$1,172,001	\$586,001	(6.0)	Relying on KCIT central support for project management. Central rates would go up with use. There are labor impacts.
Add IT Business Analyst	\$151,545	\$75,773	1.0	Strategically linked to the elimination of the 6 IT positions.
Add Inspector General Position Add	\$338,610	\$163,528	1.0	Internal auditor focused on KCSO asset management
Eliminate Vacant Records and Data Manager Position	\$249,909	\$124,995	(1.0)	Technical Services Division workload may increase to compensate.
White Center School Resource Officer		\$150,000		Partial conversion of an existing deputy. Positive equity and social justice impacts for low-income community.
Majors Pay Increase	\$61,040	\$38,150		Human Resources Division decision due to Captains' pay being almost as much as Majors.
Total	\$1,973,105	\$1,138,447	(5.0)	

Savings and efficiencies. In order to find savings and efficiencies, the proposed budget contains changes that reflect restructuring and reallocation of resources, as well

as reduction of positions that are no longer needed. Table 3 summarizes these proposals.

Table 3. Proposed KCSO Position Eliminations

Budget Request	Expenditure	Revenue	FTE	Comment
Staffing Reduction from Employee-only Tunnel conversion	(\$605,968)	N/A	(5.0)	Also (\$41,532) weapons screener rate reduction. Capital project discussed in General Government CIP.
Elimination of Vacant Criminal Intelligence Unit Project Manager II	(\$238,454)	N/A	(1.0)	Work has decreased with previous detective cuts, and would be absorbed by existing staff.
Elimination of Marshall at Youth Services Center	(\$182,447)	N/A	(1.0)	Superior Court dependencies moving to King County Courthouse in April 2015.
Total	(\$1,026,869)		(7.0)	

New funding sources. The proposed budget also contains new funding from various sources, including the General Fund, other funds, and some new ways of saving money. Table 4 summarizes proposals for new revenue sources.

Table 4. New KCSO Revenue Sources

Budget Request	Expenditure	Revenue	FTE	Comment
Returned Vehicle Credit	(\$468,000)		N/A	KCSO worked with Fleet to apply replacement reserves from 21 unneeded cars to buy 18 new vehicles (one-time).
Billings for Off-Duty Patrol Car Use		300,000	N/A	New billing of off-duty use of patrol cars for police services. Part of the revenue would be credited to contract agencies that lease County vehicles.
Public Safety Answering Point Revenue		\$642,981	N/A	E911 Fund transfer to pay for 3.0 FTE currently doing E911-related work.
Add Communication Center Text Receiver Positions	\$1,022,900	\$1,022,900	6.0 TLT	E911 funded through 2016 to handle new texting-to-911 workload.
Total	\$554,900	\$1,965,881	6.0*	

*TLT

Unallocated cut. In order for KCSO to realize its required efficiency savings, the proposed budget includes an \$850,000 unallocated cut. The Sheriff states that he will look for ways to absorb this cut toward the latter half of the biennium. The historical ending fund balance for KCSO suggests that the unallocated cut will be achievable.

Transfer from Roads Fund. Of note, the proposed budget would also include a \$7 million increase in transfer from the Roads Fund to cover the costs of providing traffic enforcement on County roads. It reflects a total traffic enforcement cost of \$12 million, with \$5 million already incorporated into the base revenues for the KCSO budget. The \$12 million figure is derived from an estimate provided by the County every year to the State's County Roads Administration Board (CRAB). That estimate was \$6.1 million for 2013, and was extrapolated to be \$12 million for 2015-2016.

In summary, the KCSO budget has no patrol cuts, and achieves efficiencies through tightening of non-commissioned positions and locating new sources of revenue. Contract services also continue to expand. It is largely a status quo budget.

ISSUES

ISSUE 1 – CONTRACTED POSITIONS DEPENDENT ON PENDING ACTIONS

The proposed budget includes two proposals to add appropriation and FTE authority to add staff to existing contracts with contract jurisdictions. This includes adding five deputies and one sergeant to the Sammamish contract in 2016 if Sammamish annexes the Klahanie potential annexation area (\$1,111,408 and 6.0 FTE); and adding five deputies and two sergeants to the Sound Transit contract in anticipation of the opening of the University Link light rail extension in 2016.

The proposed budget notes that the Sammamish contract positions would not be filled if the annexation does not occur, and the Sound Transit positions may be refined as Sound Transit finalizes its plans for operation of the University Link. Council may wish to restrict these expenditures contingent on the contract additions occurring.

Analyst:	Amy Tsai
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SUCCESSION PLANNING

BUDGET TABLE

	2013-2014 Adopted	2015-2016 Proposed	% Change 2013-2014 v. 2015-2016
Budget Appropriation	\$1,167,725	\$1,379,000	18.1%
FTE:	6.0	6.0	0.0%
TLTs:	0.0	0.0	0.0%
Estimated Revenues	N/A	N/A	N/A
Major Revenue Sources	General fund		

The King County Sheriff's Office (KCSO) Succession Planning budget item was created as a Council initiative as part of the 2013 Budget (Ordinance 17476). The Council recognized that KCSO expected 30 commissioned staff to retire or leave service in 2013 and a further 30 in 2014. As a result, the Council created a budget item to support the need to maintain an adequate number of trainees/cadets in the "training pipeline." This training pipeline includes approximately six months at the state basic law enforcement academy and four months of on-the-job-training at KCSO.

To fill expected vacancies, the Sheriff's Office uses the 6.00 FTE in Succession Planning as placeholder FTE appropriation authority for cadets in training, in addition to funding cadets through other vacated patrol positions. In 2014, 38 vacated patrol positions have been occupied by cadets for this purpose.

SUMMARY OF PROPOSED BUDGET AND CHANGES

The 2015-2016 proposed budget for KCSO Succession Planning is proposed to increase by \$211,275, or 18.1 percent, from the 2013-2014 adopted budget. The change is due to technical adjustments to the base budget and central rates.

During 2014 to date, KCSO has had 39 retirements and other separations of commissioned staff, with four to five more expected to leave by the end of the year. This is 25 percent higher than previous predictions for 2014. Based on history, the Sheriff's office expects attrition rates for 2015 and 2016 to be at least 35 staff per year.

KCSO has hired 35 commissioned staff in 2014 and is on track to hire 13 to 24 more before the end of the year. Similar hiring rates are expected for 2015 and 2016.

ISSUES

Staff have not identified any issues for this budget.

Analyst:	Amy Tsai
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AUTOMATED FINGERPRINT IDENTIFICATION SYSTEM (AFIS)

BUDGET TABLE

	2013-2014 Adopted	2015-2016 Proposed	% Change 2013-2014 v. 2015-2016
Budget Appropriation	\$33,048,418	\$35,626,000	7.8%
FTE:	93.0	90.0	-3.2%
TLTs:	2.0	2.0	0.0%
Estimated Revenues	\$37,377,654	\$40,348,000	7.9%
Major Revenue Sources	AFIS levy		

The Automated Fingerprint Identification System (AFIS) is a regional law enforcement tool managed by the King County Sheriff's Office. The AFIS Program promotes public safety by providing the technology and resources to solve crimes and identify criminals by collecting, storing, and identifying fingerprints and palmprints.

Since 1986, the AFIS Program has been funded by a voter-approved property tax levy that is used to support enhanced regional fingerprint identification services to all cities and unincorporated areas in King County. The AFIS levy was most recently renewed in November 2012 for six years from 2013 through 2018. The levy is estimated to generate \$118.9 million, at approximately \$20 million per year. For a home valued at \$350,000, the annual collection is approximately twenty dollars per household. The program operations are guided by an AFIS Operational and Levy Plan for 2013-2018 (Levy Plan) that was approved by the Council in 2012 (Motion 13703).

SUMMARY OF PROPOSED BUDGET AND CHANGES

The 2015-2016 proposed budget for the AFIS Program is \$35.6 million, an increase of 7.8 percent over 2013-2014. Equipment replacement and work on the processing lab replacement project are the two main changes to expenditure requests.

Proposed changes include:

- **End-of-Life Replacement of Livescan Fingerprinting Devices \$800,000:** This proposal would pay for the purchase of 48 Livescan fingerprinting devices over 2015 and 2016. Livescan devices are used in jails and police departments to electronically capture fingerprints. AFIS reports that the devices are aging, with many at or near the end of their lifecycles. The Levy Plan identified the need to replace Livescan capture stations reaching end-of-life. Staff have requested additional information regarding the budget request and the equipment need. The AFIS fund has levy revenues sufficient to support the request.

- **Planned Position Reductions (\$376,290), (2.0) FTE:** The AFIS program has a total of about 130 FTE, with a little over two-thirds of staff located in King County (at the courthouse and a lab processing facility in downtown Seattle) and a third at the Seattle Police Department. As part of an effort to streamline operations for efficiency savings, the Levy Plan includes plans to reduce nine positions at King County through attrition. Seven of those vacancies occurred in 2013. Seattle Police Department eliminated two positions in 2013 and plans to reduce its overtime budget and other expenditures. AFIS does not expect these changes to affect services. The budget proposal would eliminate the final two planned position reductions, including one Tenprint Examiner and one Tenprint Information Specialist. The Tenprint Unit searches, identifies, and stores all fingerprint records taken at arrest, for sex offender registration, or for employment or permit applications; its primary role is to verify the identity of an arrested individual before release from custody.
- **AFIS Lab Replacement Project \$880,431:** According to the AFIS Levy Plan, the King County processing lab requires replacement in order to meet industry standards and maximize staff efficiency. A needs assessment that was conducted in 2014 by a consultant, BergerABAM,¹ noted that the current facility is outdated and undersized for its workload, resulting in overcrowding of staff and poor evidence flow. The assessment also noted an inadequate HVAC system, outdated infrastructure, safety concerns, and limited expansion capability. The current Latent Processing lab was constructed in 2000, and the needs assessment reports that only minor modifications to mechanical and electrical systems have been made since then.

The Levy Plan estimates a replacement cost of \$11.5 million, and contains a schedule for building up lab replacement reserves. Thus far, the project has expended \$75,000 for the needs assessment. AFIS estimates \$500,000 for design and approximately \$9 to \$11 million for leasing or land purchasing and construction. According to AFIS, the County's Facilities Management Division (FMD) is engaging in a Request for Proposals (RFP) for the design of the facility and will have another RFP for construction, with estimated completion in 2017. The funding request would cover project costs up through design. The request appears to leave sufficient future funds to support building or leasing the final site, but staff analysis is continuing.

ISSUES

As noted above, staff analysis is not yet complete. However, to-date council staff have not identified any issues with this request.

¹ Needs Assessment and Design Program, Aug. 22, 2014

Analyst:	Polly St. John
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GENERAL GOVERNMENT CIP

The General Government Capital Improvement Program covered in this staff report consists of projects appropriated in six capital funds:

- Long Term Leases (3310)
- Youth Services Facilities Construction (3350)
- Major Maintenance Reserve (3421)
- Regional Justice Center (3461)
- Building Repair & Replacement (3951)
- Harborview Medical Center (3961)

CIP Revenue Verification (CRV): The proposed Capital Improvement Program includes not only substantive capital project requests, but also a number of technical adjustments that are associated with the CRV process. These adjustments include reappropriations and disappropriations associated with matching budget authority and revenues for all continuing capital projects. This process can mean cancelling unspent budget authority for projects completed under budget, inactive projects, or projects for which revenues are no longer available. Budget authority might be adjusted for projects that are over budget; however, it should be noted that no appropriations for new projects are involved in this balancing exercise.

As mandated by King County Charter Section 480, budget authority that has lapsed due to three years of inactivity can only be reinstated through a reappropriation. General Fund revenues for projects normally lapse at the end of the period of appropriation. The proposed 2015-2016 budget would accomplish this revenue support through the General Fund CIP Transfers appropriation.

Staff will continue review of these technical adjustments.

Capital Project Oversight (CPO): The CPO program in the County Auditor's Office provides focused oversight to promote accountability and improved performance of King County's capital program endeavors. CPO program costs are allocated across multiple capital funds in proportion to the size of each capital budget based upon a prorated share of 0.115 percent of CIP fund totals. However, as proposed, some funds do not include costs and the program is not fully funded for the biennium.

Staff will continue review of the proposed allocations.

Central Rates: Central rates for the capital program have been standardized, with rate charges included in the corresponding operating budget with reimbursement from capital funds using burden rates or other billing options. Staff will continue to review the transition from capital to operating budgets.

Long Term Leases (LTL) (Fund 3310)

	2013-2014 Adopted	2015-2016 Proposed	% Change 2013-2014 v. 2015-2016
Total Appropriations	\$92,262,913	\$97,949,600	6.16%
Estimated Revenues	\$84,450,967	\$97,094,555	14.97%
Major Revenue Sources	County Agency Lease Payments		

This fund administers the payments on leases entered into by the County and its agencies for office space. Agency operating budgets include lease payments to the LTL and the Facilities Management Division (FMD) manages the fund. Appropriated to the LTL is the net amount to cover the rent for all County agencies occupying buildings that are not owned by the County. This category includes King Street Center, the Ninth and Jefferson Building, and the Pat Steel Building – all of which are 63-20 lease-to-own projects.¹ The fund also includes rent that non-General Fund agencies pay to rent space in County-owned buildings such as the Courthouse and Administration Buildings. General Fund agencies located in buildings that are owned by the County pay no rent (inclusion of this would be an accounting exercise of the General Fund paying itself with no net benefit). For example, Sheriff Offices located in the King County Courthouse and Administration Building do not pay rent; whereas, the Executive Office that is located in the Chinook Building is charged rent that then comes out of the Executive's budget.

Approximately \$55 million of the total \$97.9 million proposed budget is attributable to the County's lease-to-own buildings.

SUMMARY OF PROPOSED BUDGET AND CHANGES

The proposed 2015-2016 LTL budget remains relatively stable, increasing by \$5.68 million or slightly over six percent. The fund pays for agencies' base rent, operating costs, and other lease charges such as amortized tenant improvements, parking, storage, common area maintenance charges, moorage, etc. The fund also includes FMD leasehold administrative fees including Real Estate Services leasing staff and related expenses, cost of vacant space of ongoing leasehold, and financial service fees.

The LTL fund rebates any "overpayments" made by agencies and returns any overages to the agency based on actuals at the end of the budget period. In 2014, the new Department of Public Defense was added to the fund. A factor for the increase in the LTL request is attributable to the capitalization of these costs for the biennium from \$2.6 million in 2014 (one year) to \$6.7 million in 2015-2016.

The LTL budget varies each year to reflect the lease costs.

¹ A "63-20" building is owned by a non-profit, which then leases it to the municipality. At the end of the lease, the municipality will own the building.

The LTL financial plan reflects a 2013-2014 rebate designated for King Street Center tenants. This total \$7.5 million rebate was the result of refinancing the King Street Center building and a refund from the 63-20 non-profit. No other large rebates are anticipated for 2015-2016.

ISSUES

ISSUE 1 – PUBLIC HEALTH POLICIES

Two additional projects have been included in the LTL to address specific facility costs linked to Public Health facility issues:

- Project 1124541, DES LTLF Auburn PH Lease Term, in the amount of \$501,135 is proposed to account for the costs associated with termination of the Auburn Public Health Clinic lease. This project is for lease termination costs and appears to an appropriate use of the fund. *The proposed closure of this clinic and associated costs will be discussed in the Health and Human Services/Internal Services Panel.* If policy changes are made by the Council regarding this clinic closure, staff will ensure that it is reflected in this fund.
- Project 1124570, DES LRLF CNK Reconfig DPH/DCHS, in the amount of \$148,942 is earmarked for transfer to the Chinook Building Consolidation Project 1124203 in the Building Repair and Replacement Fund. The funds would cover tenant improvement and furniture reconfigurations on the 9th floor of the Chinook Building. *This project will be discussed below in the BR&R Fund.*

Youth Services Facilities Construction (Fund 3350)

	2013-2014 Adopted	2015-2016 Proposed	% Change 2013-2014 v. 2015-2016
Total Appropriations	\$210,000,000	-\$17,035,269	-108%
Estimated Revenues	\$44,238,833	\$46,296,762	4.65%
Major Revenue Sources	Voter approved 9-year property tax lid lift		

The Youth Services Facilities Construction Fund accounts for the revenues collected as a result of the voter approved nine-year property tax levy lid lift to finance Phase I construction of the new Children and Family Justice Center (CFJC). Expenditure authority in this fund is double-budgeted for transfer to the construction budget that resides in the BR&R fund, Project 1117106, DES FMD Children and Family Justice Center. The Executive is proposing to account for the CFJC revenues and expenditures in this fund, resulting in the ability to keep all accounting for the project in a single fund and project. By consolidating CFJC costs in this fund, tax proceeds will not be comingled in the BR&R fund and all activity related to the CFJC project will reside in

the fund. (If the Council wishes to maintain the policy that revenues accrue in Fund 3350 and expenditures occur in Fund 3951, the budget proposal would need to be adjusted.)

ISSUES

ISSUE 1 – TECHNICAL CORRECTION

As proposed, the budget would disappropriate \$17,035,269 from the administrative transfer project 1121298 and would also assign a new project to appropriate the full \$210 million for construction in the fund. The transfer amount was appropriated in the 2013-2014 budgets. (\$5,035,268 = 2013 and \$12 million = 2014) However, in December of 2014, in Ordinance 17707, the Council adopted additional expenditure authority of \$192,964,732 for a total project transfer amount of \$210 million, which is the anticipated cost of the project. As proposed by the Executive, a total of \$210 million would need to be disappropriated to eliminate the transfer project and bring it to zero. A technical correction to ensure that the full expenditure authority is disappropriated will be needed if the Council agrees to the consolidation of project revenues and expenditures in Fund 3350.

ISSUE 2 –PROJECT NUMBERING

As proposed, the CFJC project would receive a different project number than the one assigned in 2013. This could make historical tracking for the project difficult. Staff is investigating the reasons for assigning a new project number and whether it is possible to maintain the same number and also move the project from one fund to another.

Major Maintenance Reserve Fund (3421)

	2013-2014 Adopted	2015-2016 Proposed	% Change 2013-2014 v. 2015-2016
*Total Appropriation – All Sections	\$16,009,006	\$11,210,502	-30%
*Estimated Revenues	\$16,409,167	\$11,540,426	-30%
Major Revenue Sources	Rents and contributions from General Fund & Non General Fund Agencies, long term obligation bonds		

The Major Maintenance Reserve Fund (MMRF) provides for the periodic replacement and repair of the 35 County-owned buildings. Major maintenance projects are characterized as those necessary to maintain the usability and maintenance standard of a building and to ensure that each building realizes its full useful life. MMRF funding is predicated on a model, which determines the funding necessary to perform projects necessary to maintain the buildings during their useful life. The model is intended to determine the timing and the cost of projects to be funded out of the MMRF.

The revenues for MMRF are generated by either a central rate charged to non-General Fund agencies or, in the case of General Fund agencies, a General Fund transfer. Due to revenue limitations on the fund, it has been difficult to support on-going maintenance needs. A September 16, 2014 County Auditor report² highlighted the implications of continued deferral of maintenance projects on County buildings, citing that significant underfunding has left some buildings in poor condition and that there is a significant backlog of deferred projects. Currently, only about one third of the buildings covered by the fund are assessed to be in good condition. (This was also reported by the Executive in the 2014 Real Property Asset Management Plan.)

SUMMARY OF BUDGET AND CHANGES

To help alleviate some of the strain, a thorough review of MMRF projects was undertaken and many old projects are proposed to be cancelled, recovering almost \$2 million that can be allocated to other priority projects. Complete projects with remaining balances are proposed for disappropriation, while projects that are over budget are proposed for additional funding.

146 projects are included in the budget and analysis is on-going. Three significant projects were highlighted by the Executive:

Project 1124472 – Courthouse System Revitalization - \$1,226,750

To address the aging Courthouse infrastructure systems, this project will begin the process of identifying funding and phasing alternatives, as well as preparing as-built structural documentation. According to the Executive, this is a critical first step in preparation for developing a proposal for a comprehensive project which includes mechanical, electrical, plumbing and window-related work. The total project cost could be as high as \$200 million depending on the adopted scope of work and other cost impacts

Project 1124163 – KCCF Domestic Water Distribution - \$760,888

The King County Correctional Facility (KCCF) Domestic Water Pipe Replacement project scope and budget is proposed for an increase to include replacement of the 8” riser that carries water into the correctional facility from the city mains. This project will replace that riser to complete the total replacement of the domestic water system in KCCF.

Project 1114359 – Elections Building (Earlington) Parking Lot - \$502,702

This project will complete an ongoing project to resurface the Elections building parking lot. Since implementation of all mail-in voting, this parking lot has experienced significantly increased usage, especially by individuals who need assistance in placing their votes due to age or infirmity, difficulty with language, or other reasons. In addition to paving and striping, the project will reconfigure the facility to address the client

² Performance Audit of the Facilities Management Division Major Maintenance Reserve Fund can be accessed at: <http://kingcounty.gov/operations/auditor/Reports/Year/2014.aspx>

agency's request to improve traffic flow, increase safety, meet current ADA standards, and maximize the number of stalls.

Regional Justice Center (3461)

This is an old fund that was established to administer Regional Justice Center (RJC) levy funds used to construct the Norm Maleng Regional Justice Center. The fund has not included appropriations in recent years, with the last appropriation occurring in 2009. The Executive is proposing to close out the fund and transfer the remaining funds, mainly interest earnings, to the Building Repair and Replacement Fund. The funds can only be used for construction at the RJC facility. \$918,190 is proposed to be transferred to serve as revenue for Project 1123605 MRJC Space Planning project in the BR&R fund.

Business functions and needs have evolved since the MRJC was originally constructed. There is little flexibility to accommodate space needs and staffing changes. The Prosecuting Attorney's Office space is extremely tight and inefficient. The Department of Public Defense has too little space and lacks space for meetings, client interviews, hot-desking and video equipment storage. Superior Court needs to expand its Jury Assembly area triggered by the cases heard at the added District Court courtrooms. The Department of Judicial Administration customer service area can be extremely congested making access by persons with disabilities difficult. The Executive proposes to use these remaining funds to address these conditions. Any changes to the space will be addressed by the affected agencies' work groups.

No issues have been identified with this proposal. It should be noted, however, that any policy changes made during Council deliberations that could affect the fund will be incorporated into the final adopted budget.

Building Repair & Replacement Subfund (Fund 3951)

	2013-2014* Adopted	2015-2016* Proposed	% Change 2013-2014 v. 2015-2016
Total Appropriation – All Sections	(212,837,931)	\$4,720,611	-102.22%
Estimated Revenues	\$212,815,533	(\$10,006,757)	-104.70%
Major Revenue Sources	General Fund, Long Term Lease Fund, transfer of RJC levy funds, Grant		

*The comparison reflects large changes associated with the \$210 million CFJC project that was appropriated in 2013-2014 and is proposed as a technical adjustment to move to another fund.

The Building Repair and Replacement (BR&R) Subfund is a collection of non-maintenance related capital improvement projects and accounts for approximately three dozen buildings managed by Facilities Management Division (FMD), acting as the implementing agency on behalf of other user agencies. Projects are proposed by FMD

and by General Fund agencies, and may include long-term planning efforts, major revisions to existing facilities, and program-driven tenant improvements. In recent years, as available funding has declined, a strong priority has been given to projects that improve security and public health and safety; respond to legal, regulatory, or other mandates; or generate a “short term payback” through significant operating savings. This program has also acted as a channel through which grants and other funds are managed for major energy efficiency improvements.

General Fund support of almost \$2 million is proposed for 2015-2016.

SUMMARY OF PROPOSED BUDGET AND CHANGES

The proposed 2015-2016 budget for the Building Repair and Replacement fund is a decrease of 104 percent. The large decrease reflects the proposed move of the \$210 million Children and Family Justice Center project from the BR&R fund to the Youth Services Facilities Construction Fund. Other proposed changes total almost \$6 million.

Revenues for BR&R projects include \$2 million from the General Fund, a \$148,000 transfer from the LTL fund, \$918,000 transfer of RJC levy funds due to close out, a \$1 million energy grant, and a \$2.3 million interfund loan associated with King Street Center tenants.

Eighteen projects are requested as new capital requests. A summary of several key 2015-2016 proposed BR&R CIP projects are highlighted below:

Project 1161719 – DC Burien Redmond Shoreline Security – (\$364,750)

District Court master planning stresses single point security control at entries and the need for weapons screening at their courthouses. At the Burien, Redmond, and Shoreline locations, there is no interior space available at the building entrances for screening. Last year, new building additions were budgeted to expand these areas. Total project costs were estimated at \$1.6 million. This budget included proposals to use metal canopies at entrances in lieu of building additions.

Project 1122048 – AFIS Laboratory Replacement – \$730,431

This project is aligned with the AFIS Operational and Levy Plan and would replace the existing lab in Barclay-Dean Building. The existing facility is undersized, inefficient, and lacks adequate ventilation, storage, and processing capacity. Proposed costs are for planning and design. The estimated cost of the project at completion would be approximately \$11.5 million.

Project 1122071 – KCSO Special Operations Vehicle Move - \$57,325

This project would evaluate Special Vehicle storage requirements, as well as to refurbish and repair the existing parking lot. Additionally, the project would secure the perimeter at the Maple Valley precinct and provide storage containers for equipment.

Project 1124205 – KCSO Vehicle Storage – \$100,000

This KCSO project is for planning and preliminary design to consolidate a majority of the Special Operations unit vehicles into a County-owned facility, reducing reliance on multiple leased spaces. Currently vehicles are stored at least four locations. Multiple locations can create inefficient access and deployment. Some special vehicles are exposed to weather that can increase maintenance and shorten vehicle useful life.

Project 1123605 – MRJC Space Efficiencies - \$561,190

This project would plan and/or implement a number of minor to moderate sized relocation project to improve space efficiency in the MRJC. Working groups of users discuss the projects. Agencies affected include the PAO, DJA, Superior Court, District Court, and Public Defense. As envisioned, the improvements to the facility would improve space efficiency and flexibility for future space adjustments, while eliminating the need to acquire additional leased space for agencies in the MRJC.

Project 1124146 – Bellevue District Court Relocation - \$790,000

The District Court has contracted with the City of Bellevue to provide court services for more than 20 years. The Bellevue District Courthouse will be moving from the current Surrey Downs location to a new facility in May 2015. The City of Bellevue has secured a long-term lease for a building in the general vicinity of the existing court. King County will continue to provide District Court services under a use agreement. Bellevue will pay for the bulk of the move and remodeling costs at the new location. This proposal would account for the costs associated with the relocation and tenant improvements estimate for the Court's portion of the remodel.

Project 1124150 – Earlington Conference Room Improvements - \$116,003

This project would provide acoustic and thermal improvements, as well as noise mediation, to an exterior window wall in the first floor conference room of the Elections facility located on Grady Way in Renton.

Project 1124156 – King Street Consolidation floors 7 & 8 - \$2,275,593

This project related to a whole building reconfiguration would consolidate work space layouts on floors 7 & 8 at the King Street Center. The consolidation affects a mix of agencies including DOT Administration, Parks Administration, Parks, and Parks IT. After a decade and a half of incremental work space reconfiguration associated with staff expansions and contractions and agency organizational changes, the existing space layouts have become far less efficient than current acceptable county space standards. As envisioned, by redesigning to current space standards and creating new collaborative work spaces, employees would realize more efficient work station systems and configurations that would improve day lighting, shared outside views, and technology upgrades. The project would be supported by an interfund transfer with an approximate payback period from three to five years.

Project 1124203 – Chinook Building Consolidation - \$548,942

This project is for planning, design and implementation in 2015 to vacate the ninth floor of the Chinook Building so the space can be rented to an outside tenant. The plan would be to:

1. Consolidate approximately 60 DCHS staff currently on 4th and 5th floors to create new open space for approximately 60 Public Health staff to be moved off of 9th floor.
2. Move approximately 60 Public Health staff to newly freed-up space on 4th floor.
3. Renovate and upgrade Chinook building 9th floor to free up space on that floor for new outside tenant.

The proposal is associated with the downsizing of Public Health and is envisioned to create rentable space that would increase rental revenues. Public Health is currently obligated for their portion of space costs in the building.

Staff will be evaluating potential risks associated with this consolidation if a new tenant is not forthcoming.

Project 1124441 – Contingency Resource Conservation Grants - \$1,000,000

This project is in anticipation of potential future projects addressing resource conservation or renewable energy generation. FMD seeks the ability to budget and plan for unique and time-sensitive external funding sources, including grants and incentives that may become available through the US or Washington State departments of commerce, regional utility companies, clean air agencies, and other sources.

Project 1124545 – KCCH Employee Entrance - \$499,000

The Executive is proposing a single-point employee entrance to the King County Courthouse through the tunnel between the Administration Building and the Courthouse. The proposal envisions an entrance with tailgating prevention feature, card access control, and security camera surveillance. Work would involve placement of an optical turnstile in a partition complete with card access and biometric access control, all mounted in a new partition. The project would include a new power circuit, security cameras, painting, floor repairs, and upgrades to door hardware on existing doors to County security standards. FMD proposes that the project would be delivered using a contractor and in house forces.

Staff analysis of the BR&R projects is on-going.

Harborview Medical Center Building Repair & Replacement (3961)

	2013-2014 Adopted	2015-2016 Proposed	% Change 2013-2014 v. 2015-2016
*Total Appropriation – All Sections	\$18,204,896	\$ 8,780,807	-52%
*Estimated Revenues	\$18,206,193	\$ 9,818,000	-46%
Major Revenue Sources	HMC operations, HMC depreciation reserves, state/federal grant moneys and fund raising activities.		

*50% decrease reflects request for only one year of funding.

The Harborview Medical Center (HMC) capital program consists of building and repair projects on the HMC campus to correct life and safety issues, address clinical and patient needs, and improve operational efficiency. Pursuant to King County Code (KCC) 2.42.080H, HMC is required to dedicate a minimum of \$4 million per year specifically for this purpose. This KCC requirement is met by the proposed budget, as the appropriation request is for \$8.8 million. The HMC projects also address long-term and short-term strategic needs and promote the quality of patient care.

All the projects proposed in this year's budget will be managed by HMC and University of Washington project staff. These projects have been approved by the Harborview's Board of Trustees and are consistent with the HMC Operational Master Plan and Major Institutions Master Plan, as is required by KCC 2.42.080.

This budget is not funded by the General Fund.

SUMMARY OF BUDGET AND CHANGES

Because the management agreement for HMC between King County and University of Washington Medicine expires in 2015, the HMC capital program is proposed for expenditure authority for 2015 only. The Executive will most likely request adjustment to the budget in the mid-biennium update to reflect any 2016 expenditure authority.

HMC adopted budgets for the last five years have averaged \$8.3 million, far above the minimum \$4 million threshold. The proposed HMC capital budget for 2015 exceeds that threshold by more than \$4.8 million. In addition to general maintenance projects, the HMC proposal focuses on converting multi-patient rooms to single patient rooms. This follows the most current national infection control guidelines. Approximately 40 percent of HMC rooms are single patient rooms. HMC seeks to bring its facilities in line with this national standard of care as quickly as possible and has made this conversion a high priority.

In 2013, as reported by HMC, almost \$200 million in charitable care was provided to underserved populations. The following tables summarize Harborview's service to the

underserved population of the region and represent an example of Equity and Social Justice in action. *(Sum of patient type will not equal total discharges because some patients may group into multiple categories.)*

Inpatient Discharges

Total Inpatient Discharges	17,943	
Mentally Ill	6,814	38%
Trauma Service	5,462	30%
Substance Abuse	4,731	26%
Burn Service	728	4%
HIV/STD	307	2%
Indigent	8,048	45%
Non English Speaking Poor	1,001	6%
King County Jail Inmates	122	1%

Outpatient Volumes

Total Outpatient Volumes	360,272	
Mental Health Services	56,139	16%
Non Trauma Emergency Department	53,173	15%
Substance Abuse	15,714	4%
Madison Clinic	15,434	4%
Trauma Service	13,112	4%
Sexual Assault Counseling (visits)	4,730	1%
Domestic Violence	371	0.10%
Burn Clinic	1,664	0.46%
Indigent	184,632	51%
Non English Speaking Poor	44,333	12%
King County Jail Inmates	1,047	2%

ISSUES

No issues have been identified in the proposal.